

RELATING TO THE ORGANIZATION AND GOVERNMENT
OF WATER CONTROL AND IMPROVEMENT DIS-
TRICTS AND THE ISSUANCE OF BONDS, ETC.

S. B. No. 169.]

CHAPTER 25.

An Act to provide for the organization and government of Water Control and Improvement Districts under and in accordance with the provisions of Section 52 of Article 3 of the Constitution, and or, under and in accordance with the provisions of Section 59 of Article 16 of the Constitution, providing such districts may have and exercise all the authority and privileges provided by the Constitution; providing the manner of organizing and operating, issuing notes and bonds, incurring debts, levying taxes and assessments to pay bonds and debts and interest and charges thereon and operating expenses, and having such debts and bonds approved and validated, including the validation of proceedings of organization and issuance of bonds by such districts and by water improvement and irrigation districts becoming or being converted into such water control and improvement districts. Providing such districts may acquire water rights and other property and buy, acquire or construct improvements, reservoirs, dams, canals, levees, drainage ditches, and any and all rights, properties or things incident to the control and improvement of rivers, streams, creeks, and water courses and supplies, and including all the rights and privileges and functions provided for by the Constitution, providing such districts may contribute to or receive contributions from any person, municipal corporation, county district, water improvement district, irrigation district, levee improvement district or improvement district that such contributions may be made upon a definite percentage or fixed or determined basis and may be made by any such person or organization. Providing for the election and the appointment of five directors and the officers and employees of a district and their qualification and bonds and oaths, and the duties and authority thereof, the manner of incurring debts and issuing notes and bonds and levying and assessing taxes on all property in a district subject to taxation to pay such debts and operating expenses including organization and incidental expenses. Providing for receipts and expenditures of funds, selection of depositories, sale of water, including and excluding lands, and the management and operation and conduct of such districts, the consolidation of districts, joint operation of two or more districts in construction of improvements, and provisions for the government control and operation thereof. Providing that irrigation and water improvement districts may be converted into water control and improvement districts. Providing the method of organizing districts in cities and towns. Providing this Act shall not in any manner affect or repeal other laws providing other methods of organizing districts nor repeal or affect laws providing for the organization of water improvement districts, levee improvement districts or drainage districts, but that this Act shall apply to and affect only districts organized hereunder or converted into water control and improvement districts under the provisions hereof, and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Water control and improvement districts may be organized in the State of Texas within the terms and provisions of Section 52 of Article 3 of the State Constitution, and within the terms and provisions of Section 59 of Article 16 of the State Constitution. Petition for organization of such districts shall state the section and article under which same are to be organized, and such districts shall be organized and operated

under the conditions, provisions, authority and restrictions therein provided.

SEC. 2. Water control and improvement districts may be organized under the provisions of Section 52 of Article 3 of the Constitution for the purposes therein provided as follows:

(a) The improvement of rivers, creeks, and streams to prevent overflows, and to permit of navigation thereof or of irrigation thereof, or in aid of such purposes.

(b) The construction and maintenance of pools, lakes, reservoirs, dams, canals and waterways for the purpose of irrigation, drainage, or navigation, or in aid thereof.

SEC. 3. Water control and improvement districts may be organized under the provisions of Section 59 of Article 16 of the Constitution for any one or more of the purposes therein provided as follows:

Including the control, storing, preservation and distribution of its waters and flood waters, the waters of its rivers and streams, for irrigation, power and all other useful purposes, the reclamation and irrigation of its arid, semi-arid and other lands needing irrigation, the reclamation and drainage of its overflowed lands and other lands needing drainage, the conservation and development of its forest, water and hydro-electric power, the navigation of its coastal and inland waters, and the preservation and conservation of all such natural resources of the State.

SEC. 4. Such districts may include the area of any county or counties, or any portion thereof, including towns, villages, or municipal corporations. Such districts may include any county, any number of counties, or any political subdivision of the State, and defined district or parts of any or all counties in the State of Texas.

SEC. 5. Water control and improvement districts organized under Section 52 of Article 3 of the Constitution may issue bonds or otherwise lend their credit in any amount not to exceed one-fourth of the assessed valuation of the real property value of such district, or territory, except that the total indebtedness of any city or town shall never exceed the limits imposed by the provisions of the Constitution, and levy and collect taxes to pay the interest thereon and provide a sinking fund for the redemption thereof.

SEC. 6. Water control and improvement districts organized under the provisions of Section 59 of Article 16 of the Constitution may incur all such indebtedness as may be necessary to provide all improvements, and the maintenance thereof, requisite to the achievement of the purposes for which it was authorized to be created, and all such indebtedness may be evidenced by bonds to be issued as prescribed by law, and such districts are authorized to levy and collect all such taxes, equitably distributed, as may be necessary for the payment of the interest and the creation of a sinking fund for the payment thereof, and also for the maintenance of such districts and improvements,

and such taxes shall be a lien upon the property assessed for the payment thereof.

SEC. 7. All districts organized under the provisions hereof shall have and may exercise such functions, powers, authority, rights and duties as may be incident to or necessary to their organization and operation, including the investigation, construction, maintenance and operation of all necessary improvements and plants, the acquisition of water rights and all other properties, lands, tenements, and rights incident to the purposes of its organization, subject only to the restrictions provided by law.

SEC. 8. In all districts organized under the provisions of Section 52 of Article 3 of the Constitution, bonds shall be issued only upon a vote of a two-thirds majority of the resident property taxpayers voting thereon who are qualified electors of such district.

SEC. 9. In all districts organized under the provisions of Section 59 of Article 16 of the Constitution, no bonds shall be issued or any indebtedness incurred unless such proposition shall first be submitted to the qualified property tax paying voters of such district and the proposition be adopted by not less than a majority of such qualified persons voting thereon.

SEC. 10. Petition for the organization of a water control and improvement district shall be signed by a majority in number of the holders of title to the lands therein, and the owners of a majority in value of the lands therein, as shown by the county tax rolls, provided, if the number of such land owners therein is more than fifty, such petition shall be sufficient if same is signed by fifty land owners. Such petition may be signed and filed in two or more copies.

SEC. 11. The petition shall designate the name of the district, the area and boundaries thereof, the provision of the Constitution under which same is to be organized, the purpose or purposes of same. Said petition shall state the general nature of the work to be done, the necessity thereof, the feasibility thereof, with reasonable detail and definiteness in order that the court or board passing on same may understand therefrom the purpose, utility feasibility and need or necessity therefor. The petition shall state the estimated cost of the project as then estimated by those filing such petition from such information as they may have at that time.

SEC. 12. Said petition shall be filed in the office of the county clerk of the county in which the district is situated. If land in more than one county is included, copies of the petition certified by such clerk shall be filed in the office of the county clerk of each county in which a portion thereof lies. Said petition shall be recorded in a book kept for that purpose in the office of the county clerk. When more than one petition or copy is filed and same are identical except as to the signature thereon, one copy shall be recorded and all signatures of such copies shall be included.

SEC. 13. When the land to be included in a district lies within one county, the formation thereof shall be considered and ordered by the county commissioners' court, and when the land in such a district is in two or more counties the formation thereof shall be considered and ordered by the State Board of Water Engineers.

SEC. 14. When a petition is filed for the organization of a district within one county the county judge shall make an order setting the date of hearing thereof by the county commissioners' court, and shall endorse same on said petition or on a paper attached thereto. The county clerk shall thereupon issue a notice of such hearing. Said petition may be considered at a regular or special session of said court.

SEC. 15. The notice of hearing of a petition for the formation of a district shall contain a statement of the nature and purpose thereof, the date and time and place of hearing. The notice shall be prepared with one original and three copies. The county clerk will retain one copy in his files and deliver the original and two copies to the county sheriff. The sheriff shall post one copy at the court house door fifteen days prior to the date of hearing and shall publish one copy in a newspaper of general circulation in the county once a week for two consecutive weeks, the first publication thereof to be made at least twenty days prior to the date of hearing. He shall make due return of service thereof with copy and affidavit of publication attached on the original prior to date of hearing.

SEC. 16. All districts organized under the provisions hereof shall be known and designated as Water Control Improvement Districts. Such districts lying in one county shall be named: _____County Water Control and Improvement District, Number _____, filling in name of county and proper consecutive number.

SEC. 17. Upon the day set for hearing upon a petition for the organization of a district by the county commissioners' court, or by the State Board of Water Engineers, any person whose land is included in or would be affected by the creation of such district may appear and contest the creation thereof and may offer testimony to show that such district is or is not necessary, would or would not be a public utility, and would or would not be feasible or practicable. Such hearing may be adjourned from day to day.

SEC. 18. The county commissioners' court shall have exclusive jurisdiction to hear, consider and determine all such petitions for organization in one county, and all orders made by said court therein shall be final, provided that if the court shall grant or refuse such petition any party thereto may file an appeal therefrom to the district court by filing with the clerk of the commissioners' court notice thereof within ten days after the making of a final order. The clerk of the commissioners' court shall file in the office of the clerk of the district court to which such appeal is taken as set out in the notice of appeal, a certi-

fied copy and transcript of all the papers, records and files pertaining to said cause. Said cause shall be tried as other civil cases in the district court, the trial being de novo except that it shall not be necessary to file any other or additional pleadings therein. All parties thereto shall take notice of said appeal by virtue of the notice of appeal filed as herein provided without the issuance of citation or notice thereof. Said cause shall be advanced and be tried by the district court as soon after being filed as possible. The final judgment on appeal shall be certified by the clerk of said court, to the commissioners' court for further action as ordered therein. All original papers and files therein which were sent to the district court by the clerk of the commissioners' court shall be returned.

SEC. 19. If it shall appear on hearing to the commissioners' court that the organization of a district as prayed for is feasible and practicable, that it would be a benefit to the land to be included therein, or be a public benefit, or utility, the commissioners' court shall so find and grant the petition. If the court should find that such proposed district is not feasible or practicable, would not be a public benefit or utility, or is not needed, the court shall refuse to grant the petition.

SEC. 20. When the commissioners' court shall grant a petition for organization of a district it shall appoint five directors who shall serve until their successors are elected or appointed in accordance with law. Such directors shall within fifteen days thereafter file their official bonds in the office of the county clerk who shall present same to the county judge for approval. The county judge shall pass upon such bonds and approve same if proper and sufficient, or disapprove same and endorse his action thereon and return same to the county clerk. If approved, said bonds shall be recorded in a record kept for that purpose in the office of the county clerk. If such bond is not approved a new bond may be furnished in ten days thereafter. If any director so appointed fails to qualify, the commissioners' court shall appoint other persons in place of those failing to qualify. Each of said directors shall take the oath of office as herein provided.

SEC. 21. The State Board of Water Engineers shall have jurisdiction to hear and determine all petitions for organization of a district which included land in two or more counties and all orders made therein shall be final unless set aside by a court of competent jurisdiction in the manner and within the time herein provided. Said board shall consider such petitions in the same manner and purpose herein provided for consideration of petitions by the commissioners' court for formation of districts in one county. If said board shall grant or refuse to grant a petition, any party thereto may file suit in the district court of any county in which a portion of such district is situated to set aside such order and have said petition retried therein. Any party filing such suit in the district court shall do so by filing in the office of the State board of Water Engineers notice thereof in

writing within fifteen days after the entry of the order of the board therein. The secretary of the Board of Water Engineers shall make a certified transcript of all the papers and records of said matter in his office and file same in the office of the clerk of the district court designated in said notice. The party applying therefor shall pay the actual cost of making such transcript provided whenever practical the original papers shall be sent to the district court instead of copies thereof. All parties thereto shall take notice of the filing of such suit by virtue of such notice so filed and it shall not be necessary to issue citation or other notice thereof. The final judgment of the court shall be certified by the clerk thereof to the State Board of Water Engineers for further action as therein ordered. All original papers and files sent to the court by the State Board of Water Engineers shall be returned.

SEC. 22. If at the hearing of a petition the State Board of Water Engineers shall grant the petition they shall appoint five directors who shall serve until their successors are elected or appointed. A certified copy of the order granting the petition and naming the directors shall be filed in the office of the county clerk of each county in which a portion of the district lies. The directors therein named shall within fifteen days file their official bonds in the office of the county clerk of the county of their residences and same shall be presented to the county judge for approval. The county judge will act upon same in the manner herein provided for districts in one county. If any such director fails to qualify the commissioners' court of the county in which he lives shall appoint some qualified person in his place.

SEC. 23. Whenever a district shall have been organized by the granting of a petition therefor by the commissioners' court or by the State Board of Water Engineers, and the directors shall have qualified by giving bond and taking the oath of office, the directors shall meet, elect a president, vice-president and secretary and enter upon the discharge of their duties.

Before such district shall incur any indebtedness other than for its operation and the holding of an election, and in any event within thirty days after the date of their first meeting they shall make and publish an order calling an election within and for such district for the purpose of confirming the organization of the district by a vote of the qualified resident property taxpaying voters. The ballots for such election shall contain the proposition: "For confirmation of district" and "Against district."

The election shall be held as herein provided for other elections. At the same time and the same election the proposition for issuance of preliminary bonds may be submitted.

SEC. 24. If the majority of those voting at such election vote in favor of the confirmation of the district the same is thereby finally confirmed and ratified. If a majority of those voting at such election vote against the district, same shall have no further authority except that any debts incurred shall be paid and

the organization shall be maintained until all such debts are paid.

Whenever such an election shall be found to be in favor of the confirmation of the district and the result thereof be declared the board of directors shall make and enter in their minutes an order substantially as follows:

An election having been held in.....district on theday of.....for the purpose of voting upon the confirmation of the organization resulted in a vote of..... votes for confirmation and.....votes against the district, the result being declared in favor of the organization. Said.....district is therefore declared to have been legally organized with the following boundaries:—(Set out boundaries).

Said order shall be signed by said directors or a majority of them and acknowledged by the president and be filed for record in the office of the county clerk of the county or counties in which same is situated and shall be recorded in the deed records.

SEC. 25. As to all districts organized by order of the State Board of Water Engineers there shall also be submitted at said first election the question of the election of five directors of such district. There shall be placed on the ballots the names of the five directors appointed and a blank space shall be left to write in the names of other persons. If the directors appointed are elected the ones so elected shall be confirmed thereby without the necessity of furnishing new bonds, but shall be continued in office. In the event any of the directors first appointed are not elected at such election the person or persons elected in their places shall furnish bond and same shall be approved in the same manner as herein provided for directors first appointed.

SEC. 26. All elections held by a district shall be ordered, held and conducted in accordance with the laws of this State for the holding of general elections for State and county officers, except as herein otherwise provided.

SEC. 27. The directors shall name the polling places and if more than one is required divide the district into election precincts. Same may be changed from time to time as required. The directors shall provide for the holding of all elections and giving of notice thereof and appoint the officers to hold same. The officers shall consist of one presiding judge, one assistant judge and two clerks. More clerks may be appointed when necessary. Officers shall be appointed for such election when it is ordered.

SEC. 28. Notice of all elections shall be given by order of the board of directors. The notice shall state the purpose of the election, the propositions and officers to be voted upon, the polling places, the names of the officers of election. The notice shall be signed by the president and secretary and shall be published once a week for three consecutive weeks in a newspaper of general circulation published in the county or counties in which such district is located, or if none is published in said counties in the nearest county thereto. The first publication shall be at

least twenty one days prior to the election and not more than thirty-five days prior thereto.

SEC. 29. The officers holding the election shall make and deliver the returns thereof in triplicate, one being retained by the presiding judge, one delivered to the president of the district and one delivered to the secretary. The ballot boxes and other election records and supplies shall be delivered to the secretary at the office of the district and be preserved as provided by law in said office. All boxes containing ballots voted or mutilated shall be preserved for one year subject to the orders of any court in which a contest thereof may be filed. The officers of election at the time of making and sealing such election returns shall give to the newspapers or others calling for same the result of such election in their voting box. The directors shall meet and canvass the returns of an election at any time not less than five full days thereafter nor more than seven days thereafter, provided if same cannot be canvassed within seven days same shall be done as soon thereafter as possible.

SEC. 30. When any person appears at the polls to vote who is not known to the election officers to be a qualified voter and a property tax payer, or when his vote is challenged, he shall be required to subscribe and swear to an oath as follows: "I do solemnly swear (or affirm) that I am a qualified voter and a property tax payer in the district. I did not acquire property prior to this election for the purpose of voting, but am a bona fide property tax payer in the district." Such oath shall be required only in elections in which the voter is required to be a property tax payer.

SEC. 31. The directors of the district shall have full authority to make investigations and plans necessary to the operation of the district and the construction of plants and improvements. They may employ engineers, attorneys, bond experts, and other agents and employees required to aid them in the performance of such duties. The district may issue bonds to be known and designated as preliminary bonds, for the purpose of creating a fund to pay the costs of organization of the district and of making surveys, investigations, attorneys fees, engineering work, cost of issuance of bonds, and all other costs and expenses incident to the organization of the district and its operation in investigating and determining upon plans for its plant and improvements and the expense of issuing and selling bonds to provide for such permanent improvements.

The directors shall make an estimate of such expenses and state in the notice of election the amount of same. Said proposition of the issuance of such bonds shall be submitted to an election and shall be adopted. Those voting at such election shall be qualified electors and property tax payers. Such preliminary bonds shall bear interest at a rate not to exceed six per cent per annum and shall be due and payable not to exceed ten years from their date. While said bonds shall be known

and designated on the records as preliminary bonds it shall not be necessary to so designate same on the bonds.

SEC. 32. Said bond election may be held at the same time as the election held for the conformation of the district, or at such time thereafter as the directors shall provide. When such bonds have been authorized by an election the directors may make an order for the issuance thereof in an amount not to exceed the amount stated in the notice of election. Said bonds may be made payable serially or upon an amortization plan at any time within ten years from their date. At the time such bonds are issued tax shall be levied sufficient to pay the interest thereon and provide for the payment of the principal thereof as same mature and to pay the cost of assessing and collecting such taxes.

SEC. 33. The directors may appoint a tax assessor and collector for the district in the manner herein provided and cause taxes to be levied, assessed and collected as herein provided. Provided, however, the directors of a district upon the making of a tax levy for the purpose of paying the charges on such preliminary bonds, or any tax levy made under the provisions of law by a district, may file a certificate of such tax levy in the office of the county tax assessor and the county tax collector of the county or counties in which said district is situated. In which event the said tax assessor shall enter same upon the tax rolls of the county as against all property thereon within such district in the same manner as other tax levies, or make a special list thereof and attach same to said tax rolls before same are delivered to the tax collector or thereafter. The county tax collector shall collect said taxes in the same manner as other county taxes. The county tax assessor and county tax collector shall be paid for such service a reasonable compensation to be agreed upon which shall not be subject to the fee bill, but shall be in addition to all other fees and compensation provided by law. The tax collector shall keep a true and complete record of all such taxes collected and uncollected and of all receipts for taxes issued by him. He shall pay to the district depository all sums collected by him for the district on or before the end of each month and shall furnish the secretary of the district an itemized statement thereof. A finance ledger shall be kept by the district in which shall be charged against said tax collector the full amount of the tax rolls, and credit shall be given for all collections with the name of the party paying same.

Such taxes shall be collected and handled by such county officers in accordance with the provisions of law for the collection of State and county taxes, except as herein otherwise provided.

In the event taxes are collected for a district in the manner provided in this section then the provisions of law providing for the assessment and collection of taxes by a district through its own officers shall not apply thereto.

SEC. 34. Whenever a district shall issue bonds other than preliminary bonds, before same are sold a record showing all proceedings of the organization of the district and of the issuance of bonds shall be filed in the office of the Attorney General of the State and it shall be the duty of the Attorney General to examine same and give his opinion thereon. Said record may be so presented to the Attorney General before such bonds are printed and executed after the record providing for the issuance of same is completed. When such record is approved said bonds shall be issued or duly executed and shall be submitted to the Attorney General for approval. If he shall find that same have been issued in accordance with the provisions of law and that such bonds are valid, binding obligations upon the district he shall so officially certify and execute a certificate thereof which shall be filed in the office of the State Comptroller and be recorded in a record kept for that purpose. Such bonds after being approved and registered shall be held in any suit or proceeding in which their validity may be questioned to be valid, binding obligations of such district, provided, however, that any party interested therein may file a suit thereon at any time prior to the registration of same by the State Comptroller, but not thereafter. Said bonds shall not be so registered in the office of the State Comptroller until twenty days after the date of the election authorizing the issuance thereof.

SEC. 35. Prior to the sale of any bonds the directors of the district shall select and name a depository for the district as herein provided and the proceeds of such bonds shall be paid into the depository and disbursed as herein provided.

SEC. 36. Each district shall have five directors. Each director shall be twenty-one years or more of age, be a resident citizen of the State and own land subject to taxation in the district. The five directors shall compose the board of directors of the district and be the managing officers in charge of all the business and affairs of the district, make all contracts pertaining thereto. They shall employ all employees necessary for the proper handling of such business and the operation of the district, its plant and improvements. They may employ a general manager, attorneys, bookkeepers, engineers and laborers. They may purchase all necessary work animals, motors, automobiles, machinery, materials and supplies, required in the erection, repair or maintenance of the plant and improvements of the district. A director may be employed as general manager and at such compensation as may be fixed by the four other directors, and when so employed he shall continue to perform the duties of a director.

SEC. 37. There shall be held a general election in said water control and improvement districts on the second Tuesday in January, 1926, at which time there shall be elected five directors for each district. The three of said directors receiving the highest number of votes shall serve for a term of two years, and the two of said directors receiving the lowest number

of votes shall serve for a term of one year. Thereafter elections shall be held on said day of each year, and on the even numbered years three directors shall be elected and on the odd numbered years two directors shall be elected. With the exception of the terms of office of said directors first elected for one year, the term of office of directors shall be for two years, and in the event of a vacancy in office the successor appointed or elected to fill such vacancy shall be so appointed or elected for the unexpired term of the director he succeeds.

SEC. 38. All vacancies in the office of director and other officers shall be filled by appointment by the board of directors for the unexpired term. In the event the number of directors shall be reduced to less than three then the remaining director or directors shall call a special election to fill said vacancies, and if they shall fail to do so within fifteen days after such vacancies occur the judge of any district court within the jurisdiction of which any part of such district may be situated, upon petition of any voter or creditor thereof may order the holding of such election, fixing the date thereof, and order the publication of notice thereof by any county sheriff and name the officers to hold such election. In any such election held by order of a district judge the returns of an election shall be made to and filed in the office of the clerk of the court and he shall declare the result thereof. The officers elected shall furnish bond and qualify in the manner provided herein with reference to directors first appointed for a district upon its organization.

SEC. 39. The directors of a district shall each make and furnish a good and sufficient bond in the sum of five thousand dollars, payable to the district, conditioned upon the faithful performance of their duties as such directors. They shall each take and subscribe an oath of office with conditions therein as provided by law for members of the county commissioners' court. After the organization of a district as herein provided and the qualification of the first board of directors all such bonds required to be given by a director or other officer of a district shall be approved by the director of the district. All such bonds shall be filed for record in the office of the county clerk of the county in which the director lives and shall then be recorded in a record kept for that purpose in the office of the district and be filed for safe keeping in the depository of the district.

SEC. 40. The directors of a district shall require all officers and employees who shall be charged with the collection or paying or handling of any funds of the district under their orders to furnish good and sufficient bonds payable to the district, conditioned upon the faithful performance of their duties and accounting for all funds and property of the district coming into their hands in a sufficient sum to safeguard the district.

SEC. 41. The directors of a district shall organize by electing one of their members president, one vice president and one secretary. Three directors shall constitute a quorum at any

meeting, and a concurrence of three shall be sufficient in all matters pertaining to the business of the district except the letting of construction contracts and the drawing of warrants on the depository paying therefor, which shall require the concurrence and signature of four directors. Warrants to pay current expenses, salaries and accounts may be drawn and signed by an officer or employee, designated by standing order entered on their minutes, when such accounts have been contracted and ordered paid by the directors.

SEC. 42. The president shall preside at all meetings of the board and shall be the chief executive officer of the district. The vice president shall act as president in case of the absence or disability of the president. The secretary shall act as secretary of the board of directors and shall be charged with the duty of seeing that all records and books of the district are properly kept. In the case of the absence or inability of the secretary to act, a secretary pro tem shall be selected by the directors. The directors shall hold regular meetings at the office of the district on the first Monday in February, May, August and November of each year at 10 o'clock a. m., and may hold meetings at such other times as the business of the district may require. Any person owning taxable property in the district may attend any meeting of the directors and may present such matters as they desire to such directors in an orderly manner.

SEC. 43. The directors shall receive as fees of office the sum of not to exceed Ten Dollars per day for each day of service necessary to discharge of their duties. They shall file with the secretary a verified statement showing the actual number of days of service each month on the last day of the month, or as soon thereafter as possible and before a warrant shall be issued therefor.

SEC. 44. The directors shall keep a true and full account of all their meetings and proceedings and preserve their minutes, contracts, records, notices, accounts, receipts, and records of all kinds in a fireproof vault or safe. The same shall be the property of the district and subject to public inspection. A regular office shall be established and maintained for conduct of the district business within the district, provided that when a district is organized in such a manner that the towns within or adjoining the territory included therein are left out of the district, the district office may be located in such adjoining town which is best suited for the transaction of the business.

SEC. 45. A complete book of accounts shall be kept. During the first week of each year a competent auditor shall be employed who shall examine the account books and records of the district, of the depository and of the tax assessor and collector and make a report thereon. Said report shall be in triplicate, one copy being filed in the office of the district, one with the depository of the district, and one copy in the office of the auditor, all of which shall be open to public inspection.

SEC. 46. The directors may employ a general manager for the district and may give him full authority in the management and operation of the district affairs, (subject only to the orders of the board of directors). The term of office and compensation to be paid such manager and all employees shall be by the board of directors and all employees may be removed by the board.

SEC. 47. All bonds required to be given by officers and employees of the district may be signed by individual sureties or by surety companies authorized to do business in the State.

SEC. 48. All districts shall have full power and authority to construct all plants, works and improvements necessary to the purpose for which it is organized and incident thereto. Water control and improvement districts may construct all works and improvements necessary for the irrigation of land in such districts, for drainage of lands and construction of levees to protect same from overflow, and to supply water for domestic, power and commercial purposes when they have a surplus of water for such purposes.

SEC. 49. The directors, employees and engineers of a district shall have authority to go upon any lands for the purpose of making surveys for reservoirs, canals, rights of way, dams, or other contemplated improvements and to attend to any business of the district, whether such lands are situated in the district or outside of such district.

SEC. 50. When a district acquires an established irrigation system which has contracted to supply water to others and the holders of such contracts or the lands entitled to service of water thereon are not within such district, such contracts and duties shall be carried out by the district in the same manner and to the same extent that any other purchaser of such system would be bound thereby.

SEC. 51. All districts can sue and be sued in any and all courts of this State in the name of the district. All courts shall take judicial knowledge and notice of the establishment of a district and the boundaries thereof. Such districts shall contract and be contracted with in the name of the district.

SEC. 52. District Engineer. The directors may employ a competent civil engineer who shall be an officer of the district to be known as "District Engineer". It shall be his duty to make a thorough study and investigation of all plans of the district and to make and file in the office of the district a report upon all plans for construction of plants and improvements. Each district shall provide and keep in its office a book to be known as the "Engineer's Record" in which shall be recorded all reports and recommendations made by the engineer and same shall be open to public inspection. No contract involving the expenditure of more than twenty thousand dollars shall be made by a district unless such district shall have a district engineer who has made a proper study and report thereon. The

term of service of such engineer shall be fixed by the board of directors.

SEC. 53. Any district authorized under Section 59, Article 16, of the Constitution, with the object, among other things, of irrigating arid land, is hereby empowered through its board of directors to contract with the United States of America for the purpose of providing for the investigation, construction, extension and operation and maintenance of any Federal reclamation project of benefit to the district and authorized under the National Reclamation Act of June 17, 1902 (Thirty-second United States Statutes at Large, page 388), and acts now and hereafter amendatory thereof or supplementary thereto, all herein styled the National Reclamation Law, and the securing of a district water supply therefrom, and to pay to the United States the agreed cost thereof in the form of construction charges, operation and maintenance charges, and water rental charges, as shown by such contract and in accordance with the terms and conditions of the National Reclamation Law, and the regulations now and hereafter promulgated thereunder. The construction charges may include the cost of drainage and flood control works necessary to maintain the irrigability of district land, and the cost of incidental electric power and municipal water service made feasible through the water supply of the reclamation project. Every such contract involving the payment of construction charges to the United States shall be voted upon by the electors of the district as in the case of an issue of district bonds, and the provisions of this Act relating to the election upon, approval and validation of such bonds shall be followed so far as applicable, including the prosecution of an action in court to determine the validity of the contract. The notice of election shall state the maximum amount, exclusive of operation and maintenance charges, water rental charges, interest and penalties, payable by the district to the United States under the contract and the ballot shall contain the following words and no others: "For contract with the United States of America and levy of taxes and payment therefor," and "Against contract with the United States of America and levy of taxes and payment therefor." Any such district may convey real property to the United States in connection with the construction or operation and maintenance of Federal reclamation works used or to be used for the benefit of the district. Where a contract is made under this section, between a district and the United States, providing for use by the district of Federal reclamation works, the district need not prepare or file any engineering data respecting the construction of such works. Until all moneys receivable by the United States from any such district under any such contract shall have been fully paid, the boundaries of such district shall not be altered without the consent of the United States. Any such district contracting with the United States under this section shall annually levy taxes sufficient in amount to provide payment of all installments of charges as required by the contract, and may, under authority of a vote of the dis-

tract electors as provided in this Act, apportion benefit and levy and collect taxes on a benefit basis instead of on an ad valorem basis, and may when provided by contract make payment of construction charges on the basis of the average gross annual acre income of the lands of the district or designated divisions or subdivisions thereof, as such annual gross acre income is determined by the Secretary of the Interior. The annual levies of assessments shall be sufficient to collect the amount of money required to meet all the districts obligations in full when due notwithstanding any delinquency in payment of assessments by any tract of land. If collections in any year prove insufficient to meet the obligations of the district, the levy shall be increased the following year to a sufficient extent to cover the deficit. The annual levies for payment of construction charges shall continue to be made each year against each tract of land in the district until the full amount apportioned against the same has been paid notwithstanding that such construction charges apportioned against other tracts of land in the district may be sooner or later paid out. The lien against district lands on account of any such contract with the United States shall be superior and dominant to the lien on account of any district bonds approved subsequent to date of such contract.

SEC. 54. Tax Assessor and Collector. The office of tax assessor and collector is one office to be filled by one person. He shall be appointed by the board of directors, or if the directors so order may be elected. He shall give good and sufficient bond with at least two sufficient sureties or a surety company, to be approved by the directors, in the sum of five thousand dollars, conditioned for the faithful performance of his duties as tax assessor and collector and for the paying over to the depository all funds or other things of value coming into his hands as such officer. The directors may require additional bonds or a bond in larger amount or additional security at any time that same may be advisable in their judgment. The tax assessor and collector shall be a resident of the district and shall be a qualified voter. One or more deputies may be appointed by the directors to assist the tax assessor and collector for such time, not to exceed one year, as may be ordered by the directors, and such assistants may be required to furnish bonds with similar conditions to that required of the tax assessor and collector. The compensation to be paid to the tax assessor and collector and any deputy shall be fixed by the directors. The board of directors may require the tax assessor and collector to perform other duties than those herein fixed. In case any district is appointed fiscal agent of the United States, or by the United States is authorized to make collections of money for and on behalf of the United States in connection with any Federal Reclamation project, such tax assessor and collector and each director and officer of the district shall execute a further additional bond in such sum as the Secretary of the Interior may require, conditioned for the faithful discharge of his respective office and the faithful discharge by the district of its duties as

fiscal or other agent of the United States under such appointment or authorization. Such additional bonds to be approved, recorded and filed as herein provided for other official bonds. Any such additional bonds may be sued on by the United States or any person injured by the failure of such officer, or the district to fully, promptly and completely perform their respective duties.

SEC. 55. The tax assessor and collector shall make an assessment of all the taxable property in his district. The property subject to taxation in a district shall be determined by and governed by the laws of this State providing for taxation for State and county purposes, and all such laws of the State shall apply thereto except as herein otherwise provided.

SEC. 56. The tax assessor and collector shall compile a record of all tax payers and those subject to payment of taxes in the district, and of all taxable property and the name and postoffice address of the owner thereof. He shall on or before the first day of April each year furnish each tax payer and each owner of taxable property in the district a blank form for the rendition of property for taxation. Same may be delivered or deposited in the mails addressed to such owner. It shall be the duty of the owner of any and all property subject to taxation in the district to file in the office of the tax assessor and collector a full, accurate and complete statement made under oath of all property owned by him, her, it or them, subject to taxation therein. Said statement or rendition shall be filed on or before the last day of March of each year and shall state the true value of all property listed and owned by the party rendering same subject to taxation in the district. In rendering land improvements and all other character of physical, real and personal property such statement shall show both the market value and the real value thereof.

SEC. 57. Anyone, any corporation, any organization, partnership, association, joint stock company, or property owner of any description who shall refuse to make or file as herein provided a true, full and complete statement and rendition under oath of all property owned subject to taxation in the district, shall thereby be precluded from making any objection, protest, or contest against the assessment made against him, her, it, or them for taxes by the district. Such statement or rendition shall have thereon, or attached thereto, an oath substantially as follows:

"I, _____, upon my oath state that the foregoing statement and rendition is a true, full and complete statement of all property owned by me or for whom this rendition is made, or by whom this rendition is made, subject to taxation within _____ district. I have correctly stated the description, location and value thereof and of each item thereof."

Same shall be signed and oath made before any officer authorized by the laws of this State to take oaths and acknowledgments. Such officer shall place thereon his official certificate, in substance as follows:

"Subscribed and sworn to by.....before me this the
.....day of.....," and attach thereto his official
seal and signature.

Such statement may be filed by any authorized agent of the owner of any such property, provided such agent shall state therein that he makes and files same as such agent.

SEC. 58. The tax assessor and collector shall check, investigate and verify each such rendition of property and note thereon in writing his report thereof. He shall add in such report any property omitted therefrom and make statement of his estimate of the value of all property not rendered at its full value or if same is rendered at more than its full value. He shall make and file a rendition of all property in the district which is not rendered for taxation. Such rendition by such officer to be made and filed on or before the first day of June of each year, or as soon thereafter as possible. The provisions hereof that the tax assessor and collector shall furnish a form for such renditions to be made by property owners shall not excuse anyone failing to receive same from the duty of making and filing same, but any property owner failing to receive same shall call at the office for same. In making rendition of all property not rendered the tax assessor and collector shall include all property of every description which is not rendered by the owner thereof, or by his agent for him, and if the owner thereof is unknown, shall list same as owned by an "unknown owner" and said property shall be taxed and taxes collected thereon even though the owner be unknown or be assessed against one not the owner thereof.

SEC. 59. The tax assessor and collector shall have authority to administer oaths to fully carry out his duties and the assessment of property for taxation. All laws and penal statutes of this State providing the rendition of property for State and county purposes and providing penalties for making false oaths and providing penalties for failing to render such property shall apply to the rendition of property for taxation in a district except as herein otherwise provided.

SEC. 60. If upon the organization of a district it shall become necessary to have the property therein rendered for taxation at a later date in the year than herein provided for the regular assessment thereof, then the directors of such district shall fix and determine the time when such renditions shall be made and the time within which the other necessary things herein provided to be done in connection therewith shall be done. After said first year, however, said assessments shall be made as herein provided.

SEC. 61. The directors for such district created under the provisions of this Act, shall at their first meeting, or as soon thereafter as practicable, and annually thereafter, appoint three commissioners, each being a qualified voter and resident property owner of said district, who shall be styled the "Board of Equalization", and at the same meeting the board of directors shall fix the time for the meeting of such board of equalization for the first year; and said board of equalization shall convene

at the time fixed by the directors to receive all assessment lists or books of the assessor for such district for examination, correction, equalization, appraisement and approval, and at all meetings of said board the secretary of the board of directors shall act as secretary thereof and keep a permanent record of all the proceedings of the board of equalization.

SEC. 62. Before entering upon the duties as such board of equalization, each of the members thereof shall take and subscribe the following oath: "I.....do solemnly swear (or affirm) that I will to the best of my ability, make a full and complete examination, correction, equalization and appraisement of all property contained within said district as shown by the assessment lists or books of the assessor for said district and add thereto all property not included therein of which I have knowledge," and said oath shall be spread upon the minutes to be kept by the secretary of said board.

SEC. 63. The Board of Equalization, after the first year, shall convene on the first Monday in June of each year and shall complete their work by the first day of September, or as soon thereafter as possible.

SEC. 64. The board of equalization herein provided for shall cause the assessor to bring before them, at the time fixed for the conveying of said board, all the assessment lists or books of the assessor of said district for their examination, that they may see that each and every person has rendered his property at its full value; and said board shall have power to send for persons and papers, to administer oaths to persons who testify before the board, to ascertain the value of all property subject to taxation. They may lower the valuation of all property rendered or raise the valuation thereof. The board shall have power to correct any and all errors of assessments and renditions and to cause all property not rendered to be placed on the tax rolls.

The board of equalization shall equalize as near as possible the value of all property rendered for taxation and fix the value thereof for taxation.

SEC. 65. Any person may file with the board of equalization a complaint as to the rendition and assessment of his own property, or any other property, and the board shall hear and consider all such complaints. Anyone may file with the board suggestions of property being omitted from the tax rolls and the board shall add to the rolls any property subject to taxation omitted from same. The tax assessor and collector shall file with the board a list of all persons who fail or refuse to render their property.

SEC. 66. When said board shall have passed upon such renditions they shall fix a date for hearing protests from those whose renditions have been raised. The secretary shall give notice in writing to all whose assessments have been raised, of the time and place of such hearing by depositing same with postage paid in the mails addressed to such party if his address is known. Failure to give such notice shall not relieve the owner

of any such property of his duty to take notice of the meeting of the board of equalization and to appear at such meeting. Said notice shall be mailed at least ten days prior to such meeting. The board of equalization, at said meeting, shall hear and consider all complaints and protests and reconsider the valuation of all property the valuation of which has theretofore been raised by them and finally fix the valuation of all property. When the tax assessor and collector has made out his tax rolls, the board of equalization shall meet and consider same and make all necessary corrections therein and endorse their approval thereon. The action of the board of equalization at said last meeting approving said rolls shall be final and shall not be subject to revision by said board or in any other tribunal thereafter. The compensation of the members of the board shall be fixed by the directors of the district.

SEC. 67. The tax assessor and collector shall prepare the tax rolls in duplicate, one copy of which he shall retain in his office and one copy shall be filed in the district office. The minutes of the board of equalization, all renditions, protests and other papers filed in connection with the rendition of property and the preparation of the tax rolls shall be preserved as official records in the office of the district.

SEC. 68. The directors of a district shall provide a permanent finance ledger in which the tax assessor and collector shall be charged with the total assessment of property as shown by the tax rolls. Credit shall be entered thereon of all collections paid to the depository. Said finance ledger and the books and accounts of the tax assessor and collector shall be audited by the board of directors semi-annually on January 1st and July 1st of each year and at such other times as the board may order.

SEC. 69. All taxes shall become due and payable on the first day of October of each year and shall be paid on or before the 31st day of January thereafter.

SEC. 70. All taxes which have not been paid on the last day of January shall become delinquent on the first day of February each year and same shall be and remain a lien upon the property for which same were assessed although the owner be unknown or same be listed in the name of a person not the actual owner thereof or though the ownership be changed. All such property may be sold under a judgment of a court for all taxes, interest penalty and costs assessed against same at any time after such taxes become delinquent. The district shall have authority to file suits for the collection of taxes against any and all property assessed for taxes and if the owner be unknown such suit may be filed against an unknown owner and the property sold under the judgment of the court. Taxes are not barred by any law of limitation and no law providing for a period of limitation as to debts or actions shall apply to such taxes.

SEC. 71. All taxes becoming delinquent shall have added thereto a penalty of ten per cent of the amount thereof, which charge shall accrue at the time same became delinquent. All

such delinquent taxes shall bear interest at the rate of six per cent per annum from the date upon which they became delinquent.

SEC. 72. The tax assessor and collector shall on or before the first of April each year prepare a delinquent tax roll, showing all charges upon the tax rolls which have not been paid and file same with the directors of said district. The directors shall publish said delinquent tax list showing name of owner, description of the property, and total amount due, in a newspaper published in the county where said district or any part thereof is situated. Said notice shall be published once a week for two weeks. If no newspaper is published in the county said notice may be published in a newspaper outside of the county. There shall be paid to the newspaper for publishing such notice a reasonable fee fixed by agreement, not to exceed, however, twenty cents for each rendition or each tract of land, allowing not to exceed three lines single column thereto. The publisher of such notice shall file in the office of the district a copy of each issue of the paper containing said notice with affidavit of publication attached thereto. The notice herein provided for to be made by publication is intended to be for the information of all taxpayers and shall not be, or be held to be, a requisite to the filing of any suit for the collection of taxes and such suits may be filed without publishing such notice.

SEC. 73. The directors shall on or before the first day of April each year employ an attorney to file suits for the collection of all delinquent taxes. Said attorney shall be entitled to a fee of ten per cent upon the amount of all delinquent taxes collected or paid after suit is filed and same shall be charged as costs of court and judgment recovered therefor together with said taxes and as part of same. Such suits shall be filed and tried as other civil suits. When the owner of the property against which the taxes are assessed is unknown, the suit may be filed as against an unknown owner and citation be published as provided by law with reference to State and county taxes. All tax suits shall be for the collection of the amount due and foreclosure of the lien on the property against which same are assessed and said property shall be sold under order of sale. All costs of suits shall be taxed therein. In the event more property is covered by such lien as fixed by the judgment than necessary to be sold to secure the amount due, same may be divided and sold in parcels as may be necessary to collect the amount due. The officer executing any such order of sale shall make deeds to the purchaser thereof which shall be held to vest a good and perfect title in the purchaser subject to be impeached only for fraud.

SEC. 74. Any person may redeem any property delinquent for taxes at any time prior to the date of sale of same under a judgment by paying the taxes and all penalties, interest, attorney's fees and court costs accrued thereon.

SEC. 75. Land may be added to a district and become a part thereof upon petition of the owner thereof in the following

manner: The owner of the land shall file with the board of directors a petition praying that the lands described be added to and become a part of the established district. Said petition shall describe the land by metes and bounds and be signed and executed in the same manner provided by law for the conveyance of real estate. Such petition shall be heard and considered by the directors and may be granted and said land added to the district if same is considered to be to the advantage of the district and if the water supply, canals, etc. are sufficient to supply the same without injury to the lands of the district. Any such petition which may be granted adding lands to a district shall be filed for record and be recorded in the office of the county clerk of the county in which such land is situated.

SEC. 76. Whenever a district shall have been organized and the directors shall find that land has been included within the boundaries of the district that should not have been included therein for the reason that same cannot be supplied with water from the plant and improvements to be constructed by the district, or for other good reason, and such facts are ascertained and determined before bonds are issued, the directors may make an order entering on their minutes excluding such lands from the district and give notice thereof to the owners of such lands by mail. Notice thereof shall also be given by publication of notice once a week for two consecutive weeks in a newspaper published in the county or counties in which such district is situated. The owners of any such land may file protest thereto at any time within thirty days after the publication of notice and in the event of such protest such lands shall not be excluded therefrom. In the event no protest thereto is filed, such order excluding such lands shall become and be effective thirty days after publication of notice thereof is complete, whereupon said order excluding such lands shall be filed for record in the office of the county clerk of the county in which such lands are located.

SEC. 77. When there is included in a district lands having a water right from a source of supply acquired by such district, but which lands it is difficult or impracticable to irrigate, the said district may allow such water rights to be transferred to other lands adjacent to the district and may admit such other lands to the district upon an equal basis as to water service with the lands from which said water was transferred.

SEC. 78. Whenever a district shall have been organized and shall have adopted plans for the construction of a plant and improvements to carry out the purposes of its organization, it may issue bonds for the purpose of constructing same and paying all costs and charges incident thereto. Before an election is held to authorize the issuance of bonds there shall be filed in the office of the district an engineer's report covering the plan and improvements to be constructed together with maps, plats, profiles and data fully showing and explaining same and same shall be open to inspection by the public. The directors shall

consider and approve such report and may make changes therein and note same of record in their minutes. The said engineer's report shall contain a detailed estimate of the cost of such improvements. After such report shall have been filed and approved the board of directors may order an election to be held in the district for the purpose of authorizing the issuance of such bonds.

SEC. 79. Such bonds may be issued so as to include and cover the costs of organization of the district, incidental expenses, cost of investigation and making plans, engineer's work and other incidental expenses, cost of issuing and selling bonds and cost of operation of the district for the period required for the construction of the plant and improvements to be constructed up to the time same shall be completed and service therefrom commenced. As part of such costs there may be included in such bond issue a sum sufficient to pay the interest on the bonds during such period and not to exceed a period of three years from the time such bonds are sold.

SEC. 80. Notice of election, stating the maximum amount of bonds to be issued, which amount shall not exceed the engineer's estimate, together with the amount of incidental expenses, organization expenses and the cost of additional work which it may become necessary to add to the engineer's estimate by any change or modification made by the directors of the district in the proposed work; also stating the proposed maximum interest rate thereon, and the maximum maturity date of said bonds; also stating the time and place of holding the election, shall be given under the hand of the president and secretary of the board with the seal attached, by publication of such notice once a week for four consecutive weeks in some newspaper published in the county or counties in which said district or any part thereof is located, the first publication shall be at least twenty-eight days before the date of such election.

The said notice shall contain substantially the proposition to be voted upon as herein provided; provided, however, the bonds so voted upon may be issued to mature in serial form at any date not to exceed the maximum date stated in the notice and may be issued at any rate of interest not to exceed the rate of interest stated in such notice. Said notice shall also contain a summary of the engineer's estimate of the cost of construction of the proposed improvements and estimate of cost of purchase of any property to be purchased, together with additions thereto showing the total estimate of expense proposed to be made out of the proceeds of said bond issue.

SEC. 81. The propositions submitted at such election shall be as follows: "For the issue of bonds and levy of taxes in payment therefor" and "Against the issuance of bonds and levy of tax in payment therefor". In the event that contract is proposed to be made with the United States under the Federal Reclamation Laws, the question which shall be submitted to the voters at such election shall be "For contract with the United

States and levy of tax in payment therefor" and "Against contract with the United States and levy of tax in payment therefor."

SEC. 82. If contract with the United States is proposed for election the notice of election shall state the maximum amount of money payable for construction purposes, exclusive of penalties and interest.

SEC. 83. The order of the board of directors ordering such election shall be recorded upon their minutes. A copy of the notice of election together with a copy of said notice as published and the publisher's affidavit of publication attached thereto shall be filed in the office of the district. The said election shall be held and conducted and returns made in accordance with the provisions of law for holding elections in such districts as herein provided.

SEC. 84. In all such districts organized in accordance with the provisions of Section 52 of Article 3 of the Constitution, the vote required upon an election for issuance of bonds shall be a two-thirds majority of those voting at such election. In all other districts herein provided for the vote required for the adoption of the issuance of such bonds shall be a majority of those participating in such election.

SEC. 85. The board of directors of any district which has been or shall be organized under the provisions of Section 59 of Article 16 of the Constitution, may, for the benefit of the purchasers, or holders, of bonds to be issued or sold, limit the power of the district to incur debt or issue bonds in the manner and to the extent hereinafter provided. Said board may adopt a resolution declaring that during a period of not exceeding fifteen years the district shall not issue bonds in excess of twenty-five per cent of the assessed value of the taxable real property of the district according to the last assessment for district purposes, or not in excess of a fixed sum, or only for certain named purposes, and shall give notice of the adoption of such resolution by publication once a week for two consecutive weeks in a newspaper published in the district, stating that such resolutions shall take effect unless a petition signed by ten per cent of the qualified tax paying electors of the district shall be presented against the proposed limitation within twenty days after the date of the first publication of such notice. If such petition or remonstrance be filed within said period, such limitation shall not take effect unless it is approved at an election held in the district. The ballot on the question at such election shall be substantially in the following form: "For limiting during the term of.....years, the maximum debt of the district to....." and "Against limiting during the term of.....years, the maximum debt of the district to.....". The blank space therein shall be properly filled in to show the purpose of the election.

If such limitation shall be approved, or if during said period no petition or remonstrance shall be filed the district shall not

issue bonds under any statute or constitutional provision during said term in excess of the amount so limited, except for the necessary repair of or to complete works for construction of which bonds may be issued within such limitation, and shall only issue bonds exceeding such limitation for said purposes after the State Board of Water Engineers shall have approved same and the plans and specifications for same, with the estimate of the cost thereof. If such plans and specifications and estimate be approved by said State Board of Water Engineers, notice of intention to issue such bonds, stating the purpose thereof, shall be given by publication once a week for three consecutive weeks stating the amount of the proposed issue of bonds and the time when a hearing will be had, which time shall not be less than thirty days from the first publication. Any tax payer, bondholder, or other person interested may appear and shall be heard.

Said hearing to be held by the board of directors of the district. If the determination be in favor of the issuance of such additional bonds for the amount and for the purpose stated in the notice, the question of issuing such bonds shall be submitted to the property tax paying voters at an election held in the form and manner provided by law. Only resident voters who are property tax payers shall vote at such election as provided by the provisions of the Constitution.

SEC. 86. The bonds issued under the provisions of this Act shall be issued in the name of the district, signed by the president and attested by the secretary, with the seal of the district affixed thereto, and said bonds shall be issued in denominations of not less than one hundred dollars nor more than one thousand dollars each, and such bonds shall bear interest at the rate of six per cent per annum, payable annually or semi-annually. Such bonds shall by their terms provide the time, place or places, manner and conditions of their payment and the interest thereon, as may be determined and ordered by the directors of said district, and none of such bonds shall be made payable more than forty years after the date thereof, provided that the lien for the payments due the United States under any contract between the district and the United States accompanying which bonds have not been deposited with the United States, shall be preferred lien to that of any issue of bonds or any series of any issue subsequent to the date of such contract.

SEC. 87. After the canvass of the vote and declaring the result, as provided for, the directors shall make and enter an order directing the issuance of bonds or authorizing the execution of a contract with the United States for such district, as the case may be, sufficient in amount to pay for such improvements, together with all necessary incidental expense connected therewith not to exceed the amount specified in the order for the election and the notice of election. In districts organized under the authority of Article 3, Section 52 of the Constitution the amount of such bonds, or the amount of contract indebted-

ness with the United States shall not exceed in amount one-fourth of the actual assessed value of the real property of such district as shown by the assessment thereof made for the purpose of determining the value thereof, or at the last annual assessment as provided for in this Act. This limitation of indebtedness of one-fourth of the assessed value shall not apply to districts organized under the authority of Section 59 of Article 16 of the Constitution.

SEC. 88. If, after an election has been held for the issuance of bonds or for contract with the United States, and the tax authorized and levied, and bonds have been authorized to be issued or have been issued as provided for in this Act, or contract with the United States authorized or executed, as the case may be, the directors of said district shall consider it necessary to make any modifications in said district, or in any of the improvements thereof, or shall determine to purchase or construct any further or additional improvements therein and issue additional bonds upon the report of the engineer, or shall determine to make supplemental contract with the United States, or upon its own motion may find it necessary to make additional improvements, or purchase additional property in order to carry out the purpose for which the district was organized, or to best serve the interests of said district, said finding shall be entered of record and notice of an election for the issuance of said bonds, or for authorization of contract with the United States, shall be given, and such election held within such times, and the returns of such election made as hereinbefore provided for in case of original election, and the result thereof determined in the same manner. If the result of such election be declared to be in favor of the issuance of such bonds or the making of such contract with the United States, said directors may order such bonds to be issued, or may negotiate and execute supplemental contract with the United States as in the manner provided in this Act. And provided that if a contract is made with the United States as herein provided and bonds are not to be deposited with the United States in connection with said contract, bonds need not be issued, or if required to raise funds in addition to the amount of such contract, said bonds shall be issued only in the amount needed in addition thereto.

SEC. 89. Whenever such district shall have constructed or purchased improvements and same may be damaged so that it may be necessary to raise funds to repair such damage, said district may either issue bonds to secure such funds or may issue its notes to run not to exceed twenty years, and to bear interest at not to exceed six per cent per annum. Before such notes are issued the board of directors shall order an election and give notice thereof as required in bond issues stating the purpose for which they are to be issued, the time they are to run, and the rate of interest they are to bear, and the time and place of said election. The ballots for such election shall have printed thereon, "For issuance of notes" and "Against Issuance

of notes". The election shall be held and returns made and canvassed as provided for bond elections. If two-thirds majority of those voting at such election voted in favor of the issuance of such notes, the board of directors may issue and sell same for the benefit of said district. Such notes shall not be issued in an amount in excess of thirty thousand dollars. At the time such notes are issued or sold the board of directors shall levy a tax for the purpose of paying the interest thereon and creating a sinking fund to pay such interest and to pay such notes within the time of their maturity. Said notes shall be issued in serial form to mature in installments as determined by the directors.

SEC. 90. Whenever such bonds have been voted, the directors for such district shall levy a tax upon all property within such district sufficient in amount to pay the interest on such bonds together with an additional amount to be placed in the sinking fund, sufficient to redeem and discharge such bonds at their maturity, and said directors of such district shall annually levy or cause to be assessed and collected taxes upon all property within said district in an amount sufficient to pay for the expense of assessing and collecting said taxes. Whenever contract shall be made with the United States, taxes shall similarly be levied sufficient in amount to meet all installments as they become payable, and interest if any, and the directors shall cause due levy annually to be made until all such contracts and obligations shall have been discharged. Such bonds may be issued in serial form, or payable in installments, as determined by said directors, and such tax levy shall be sufficient if it provides an amount sufficient to pay the interest on such bonds and to meet the proportionate amount of the principal of the next maturing series of such bonds and the expenses of assessing and collecting such taxes for such year.

SEC. 91. The tax levy made in connection with the issuance of any bonds shall remain in force from year to year as the levy for the purpose to be collected, until a new levy shall be made. The board of directors may from time to time increase or diminish such tax, so as to adjust the same for the taxable values of the property subject to taxation by the district and the amount required to be collected, and shall in every such levy raise thereby an amount sufficient to pay the annual interest and sinking fund on all bonds then outstanding.

The board of directors may invest any portion of the sinking fund of the district set aside for the redemption of its outstanding bonds in bonds of the United States, of the State of Texas, or of any county or city within the State, of any irrigation or water improvement district, school district, or other tax bonds issued under the laws of the State of Texas such funds may be so invested when the bonds to be paid thereby do not mature within three years from the time of making such investment and when same is necessary to preserve the best interests of said district.

SEC. 92. Any district governed by this Act which has heretofore been organized under the laws of this State and any district hereafter organized under the provisions hereof, may refund any bonds issued by issuing new bonds for that purpose, provided the said old bonds are taken in exchange at their face value or less, or in event such new bonds can be sold at a premium and the old bonds retired thereby without loss to the district.

The Comptroller shall not register such new bonds until the old bonds in lieu of which they are issued, are presented to him for cancellation, or until a valid contract has been entered into and a copy thereof filed with the Comptroller providing for the purchase of such old bonds or exchange thereof. The Comptroller shall keep said new bonds until the old ones are presented to him for exchange or payment. In case same are presented for payment, the district shall pay same before such new bonds are registered.

SEC. 93. No district shall issue bonds or create indebtedness in an amount more than that authorized by the provision of the Constitution of the State of Texas, authorizing the issuance of such bonds or the creation of such indebtedness.

SEC. 94. There is hereby created what shall be termed the "Interest and Sinking Fund" for such district, and all taxes collected under the provisions of this Act, for such fund, shall be credited to such fund, and shall never be paid out except for the purpose of satisfying and discharging the interest on said bonds, the payment of such bonds, and to defray the expenses of assessing and collecting such tax, and for the payment of principal and interest due the United States under any contract between the district and the United States accompanying which bonds of the district have not been deposited with the United States as herein provided; such fund shall be paid out upon the order of the board of directors of such district upon warrants drawn therefor, as herein provided, and at the time of such payment the depository for such district shall receive and cancel any interest coupon as paid or any bond as paid, and when any such interest coupon or bond has been paid it shall be delivered to the directors and be cancelled and destroyed.

SEC. 95. Whenever any district shall have issued bonds as herein provided and may desire to validate same by suit as hereinafter provided, such suit may be filed for the validation or the organization of such district and of such bonds and after the rendition of a final judgment therein said bonds shall be incontestable and no suit shall be brought in any court of this State contesting or enjoining the validity of the formation of any such district or any bonds issued thereby ordering the validity of contract with the United States or of authorization thereof by the district, except in the name of the State of Texas, by the Attorney General upon his own motion or upon the motion of any party affected thereby upon good cause shown. No such suit shall be filed or prosecuted by the Attorney General

unless based upon allegations of fraud disclosed or found after the rendition of a final judgment in such validation suit. If such validation suit is filed it shall not be necessary to have said bonds approved by the Attorney General as herein otherwise provided.

SEC. 96. Such validation suit shall be brought by the district in the district court in any county in which said district or any part thereof is located, or in any county of the judicial district in which such district is located, or in the district court of Travis County. Such suit shall be to determine the validity of the organization of such district and determine the validity of such bonds; or such district contracting with the United States shall, if requested by the Secretary of the Interior, bring such an action to determine the validity of such contract. Such suits shall be in the nature of a proceeding in rem and jurisdiction of all parties thereto and interested therein shall be had by publication of a general notice thereof once each week for at least two consecutive weeks prior to the term of court to which same is returnable. Said notice shall be published in some newspaper of general circulation in the county or counties in which such district is situated, and if no paper is published in such county or counties, then same shall be published in a newspaper of the nearest county thereto where a paper is published. Notice shall also be served upon the Attorney General of the State of Texas of the pendency of such suit in the same manner as civil suits. The Attorney General may waive service in such suits when furnished a full transcript of the proceedings had in the formation of such district; and in connection with the issuance of such bonds; in connection with the authorization of a contract with the United States and a copy of the contract.

SEC. 97. It shall be the duty of the Attorney General to make an examination of all such proceedings and require such further evidence and make such further examination as may seem advisable to him. He shall then file an answer tendering the issue as whether such proceedings are valid and such bonds are legal and binding obligations upon such district, or as the case may be, as to whether such contract with the United States is legal and binding upon the districts. Any person interested therein may intervene in said cause or file answer therein. The issue thus made shall be tried and determined by the court and judgment be entered upon such finding. If such bonds shall have been approved by the Attorney General and have been registered before such suit is filed then the filing of such suit cancels prior registration. All suits brought under the provisions of this Act shall have preference over all other actions in order that a speedy determination thereof may be had.

SEC. 98. Upon the trial with the issues made in accordance with the preceding section of this Act, if the judgment of the court shall be adverse to the district upon any issue, then such judgment may be by said district excepting and the error pointed out in such proceedings may be corrected, the judge in

the manner directed by the court and when so corrected, the judgment of the court shall be rendered showing that such corrections have been made, and that the bonds issued thereunder, or the contract with the United States are binding obligations upon such district. And thereafter the judgment so finally made and entered shall be received as *res adjudicata* in all cases thereafter arising in connection with the collection of said bonds, or any interest due thereon, or of any taxes levied by the district to pay the charges thereon, or in connection with the collection of moneys required by a contract with the United States, and as to all matters pertaining to the organization and validity of said district or pertaining to the validity of such bonds, or of a contract with the United States.

SEC. 99. After the making and entry of the judgment of the district court as herein provided the clerk of said court shall make a certified copy of such decree which shall be filed in the office of the State Comptroller and be by him recorded in a book kept for that purpose. Said certified copy, or a certified copy of said record thereof, made and kept by the Comptroller, shall be received in evidence in any suit thereafter arising which may affect the validity of the organization of such district, or the validity of such bonds, or of such contract with the United States, and shall be conclusive evidence of such validity.

SEC. 100. Upon the presentation of said bonds together with certified copy of the decree of the district court, the Comptroller shall register such bonds in a book kept in his office for that purpose, and shall attach to each of said bonds a certificate of the fact that the decree of the district court as required by this Act has been filed and recorded in his office. Said certificate shall be signed officially and the seal of his office attached thereto.

SEC. 101. After the issuance of such bonds as herein provided the directors of a district shall sell same on the best terms and for the best possible price, but none of said bonds shall be sold for less than ninety per cent of their face value. When said bonds are sold the proceeds thereof shall be paid over by the directors to the depository for said district. The district may exchange bonds for property acquired by purchase, or in payment of the contract price of work done for the use and benefit of said district.

SEC. 102. The proceeds of any such bonds sold and deposited in the depository shall be credited to the special fund designated "Construction Fund". All expenses, debts and obligations necessarily incurred in the creation and establishment and maintenance of any district may be paid out of the construction fund and all cost of purchase of property and construction contracts may be paid from said fund including all purchases for which same were issued. If same are issued in accordance with a contract made or to be made with the United States as herein provided all debts and obligations may be paid therefrom under the terms of such contract, or incident thereto. After the pay-

ment of all obligations for which such bonds were issued to pay any balance remaining therein may be transferred to the maintenance fund.

SEC. 103. Such district shall have a fund to be known as the "Maintenance Fund" into which shall be paid all funds collected by assessment or otherwise for the maintenance, repair and operation of the properties and plant of the district, or for temporary annual rental due to the United States. Out of said fund shall be paid all expenses of maintenance, repair and operation of the district, except the expenses of assessing and collecting taxes for the interest and sinking fund may be paid out of that fund. Out of said fund may be paid all expenses not herein otherwise provided for.

SEC. 104. Amortization and Emergency Fund. All such funds heretofore created and existing under the laws of this State shall be preserved and used as herein provided. The board of directors of each district shall cause to be made by a competent engineer an inspection and valuation of all the physical properties of such district, subject to decay or obsolescence, injury or damage by any sudden, accidental or unusual cause whatsoever, and based upon inspection and valuation said engineer shall determine, as nearly as may be, a sum to be annually set aside as will be sufficient to pay for replacement of each item of such physical property at the end of its economical life, or for the restoration or replacement of any such physical property upon the happening of such loss, injury or damage thereto. Out of the maintenance and operation fund, as the same shall be collected, such board of directors shall set aside such portion thereof as shall be necessary to make each year the amount of the annual sum determined as above provided to be known as the "Amortization and Emergency Fund", and no part of such fund shall be expended except to replace such amortization property, or to replace or restore such lost, injured or damaged property. Any part of the amortization and emergency fund not necessarily expended for the purposes above provided, may be invested in bonds or interest bearing securities of the United States. Provided, that any such board of directors may or may not in the discretion of such board, establish such amortization and emergency fund, but after each fund has been established for any such district as above provided, the same shall thereafter be kept up and maintained.

SEC. 105. All district funds shall be handled by and under the orders of the board of directors upon warrants drawn therefor. At the time of the payment of interest coupon or of any bonds the directors shall receive and cancel same and make a record thereof which same shall be destroyed.

SEC. 106. All such districts shall have authority to make, establish and collect maintenance and operation charges for the service they render which may be determined and fixed upon the basis of the quantity of water furnished or appropriate measure of the service rendered, and if based upon a use of

water a fixed charge may be made as a minimum charge on all lands, water connections or other service entitled to receive and use same, and an additional charge may be made for the use of water in excess of that covered by the minimum charge. The district may install proper measuring devices or require that same be installed. Where a district includes a city or town or contracts with a city or town to supply it water, the charge for the use and delivery of such water and the time and manner of payment shall be determined by the board of directors or be fixed by contract made by the directors.

SEC. 107. All such districts shall have authority to levy and collect taxes to secure funds to maintain, repair and operate all plants, properties and improvements of the district and to give and maintain proper service for the purposes of its organization.

SEC. 108. Every such district shall have the power and authority to refuse service of water to anyone therein or entitled thereto who shall refuse to pay the charges and assessments therefor or who shall fail or refuse to pay any taxes levied against his property after six months from date same become delinquent.

SEC. 109. Every person desiring to receive water during the course of the year, or at any time during the year, shall furnish to the secretary of the board of directors a statement in writing of the acreage intended by him to be put under irrigation, and for which water is to be used, and as near as may be a statement of the several crops to be planted with the acreage of each, and shall at the same time pay such proportion of the water charge or assessment therefor as may be prescribed by the board of directors. If such statement should not be furnished, or such payment should not be made before the date for fixing the assessments, there shall be no obligation upon the district to furnish such water to such person for that year. The board of directors, on or as soon as practicable after a date in each year to be fixed by a standing order of the board, shall carefully estimate the expense to be incurred during the course of the next twelve months for the maintenance and operation of the irrigation system. A proportionate part of the amount so estimated, not less than one-third, nor more than two-thirds, to be determined from year to year by the board of directors, shall be paid by assessment against all irrigable lands within the district, pro rata per acre; that is to say, against all lands to which the district is in condition to furnish water by its then systems of canals and laterals, or through extensions thereto of then existing laterals, but without reference as to whether such land is to be actually irrigated or not, and the remainder of the amount so estimated shall be paid by the persons taking water or applying for water as aforesaid. This remaining amount shall be equitably prorated among the applicants for water, and in prorating same the board of directors may take into consideration the acreage to be planted by each applicant for water, the crop to be grown by him and the amount of water

per acre to be used by him, provided, however, that each water user shall pay the same price per acre for use of water upon the same class of crops. All assessments shall be paid in installments and at times to be fixed by order of the board of directors, but if the crop for which such water was furnished shall be harvested prior to the time fixed for the payment of any installment, the entire unpaid assessment shall at once become due and shall be paid within ten days after the harvesting of such crop and before removal of same from the county or counties in which grown. The board of directors shall have power and authority from time to time to adopt, alter and rescind rules, regulations, standing orders and temporary orders, not in conflict with this Act, governing the methods, ways, terms and conditions of water service, applications for water, assessment for maintenance and operation and payment and enforcement of payment of such assessments, and the furnishing of water to persons who have not applied for same before the date of assessment, and to persons who desire to take water for irrigation in excess of their original applications or for use on lands other than those covered by such applications. The board of directors may, at their discretion, require every person desiring water during the course of the year to enter into a contract with the district, which contract shall indicate the acreage to be watered, the crops to be planted, and the amount to become due and the terms of payment; and it may be further required that the water taker shall execute a negotiable note or notes for such amounts, or for parts thereof. The making of such contracts shall not constitute a waiver of the lien given by this Act upon the crops of the water taker for the service furnished to him. If the water taker shall water more land than is called for in his contract he shall pay for such additional service rendered as and at the times hereinbefore indicated. To secure money for operating and maintenance expense of the district the board of directors shall have authority to borrow money with interest not exceeding ten per cent per annum, and may hypothecate any of the notes or contracts with water takers or accounts against them. The district shall have a first lien, superior to all other liens, upon all crops of whatsoever kind grown upon each tract of land in the district, to secure the payment of the assessment herein provided for, and all such assessments shall bear interest from the time due and payable at the rate of ten per cent per annum. And if suit should be filed therefor, or the same should be collected by any legal proceeding, an additional amount of ten per cent on unpaid principal and interest shall be added to the same as collection or attorney's fees, as well as principal and interest of such assessments shall stand secured by the lien as aforesaid. Suits for delinquent water assessments may be brought either in the county in which the irrigation district is situated or in the county in which the defendant resides. All land owners shall be personally liable for all assessments herein provided for, and if they shall fail or

refuse to pay same when due the water supply shall be cut off and no water shall be furnished to the land until all back dues are fully paid. This provision with respect to cutting off water shall bind all parties, persons and corporations owning or thereafter acquiring any interest in said lands. The directors of all districts shall within ten days after any assessment is due, post at a public place in said district a list of all delinquents and shall thereafter keep posted a correct list of all such delinquents; provided however, that if the parties owing such assessments shall have executed notes and contracts as hereinbefore provided, they shall not be placed upon such delinquent list until after the maturity of such notes and contract. In the event that contract shall be made with the United States, the remedies in this section hereinbefore provided in favor of the district shall apply with regard to the operation and maintenance and rental charges which may become due the United States. Provided, however, that the Federal Reclamation Laws, and in particular, the Reclamation Extension Act approved August 13, 1914, and any acts amendatory thereof shall be applicable. Moreover, all water, the right to the use of which is acquired by the district under contract with the United States, shall be distributed and apportioned by the district in accordance with the Acts of Congress, and rules and regulations of the Secretary of the Interior, and the provisions of such contract in relation thereto, and it is so enacted.

SEC. 110. In the event the assessment made as provided for in the preceding section should be more than sufficient to meet the necessary obligations of the district, the balance shall be carried over to the next season; and in the events the assessments are not sufficient to meet the expenses the balance unpaid shall be assessed pro rata, in accordance with the assessments previously made for the then current year, and shall be paid under the same conditions and penalties within thirty days from the time such assessment is made. Public notice of all such assessments shall be given by posting printed notice thereof in at least three public places in the district, and printed notice shall be mailed to each land owner, provided, however, that each land owner shall furnish to the board of directors his correct postoffice address. Such notice shall be given by posting and mailing such notice five days before the assessment is due, and in the event of special assessments such notice shall be given within ten days after such assessments are levied.

SEC. 111. All assessments for maintenance and operation expenses under the provisions of this Act shall be collected under the direction of the directors by the assessor and collector of taxes, or other person designated by them, which said officer shall give such bond as they may direct conditioned upon the faithful performance of his duties and accounting for all money collected. He shall keep a true account of all money collected and deposit the same as collected in the district depository and shall file with the secretary of the directors a true statement of

all money collected once each week. The collector shall use duplicate receipt books and shall give a true receipt for each collection made, retaining in such books true copy thereof, which shall be preserved as a record of the district.

SEC. 112. Districts may be organized in an unorganized county by the commissioners' court of the county to which such unorganized county is attached for judicial purposes.

SEC. 113. The directors of every district shall select a depository for such district in accordance with the provisions of law for the selection of depositories for counties in this State, and the duties of such depository and the bonds and securities to be given thereby shall be the same as provided by law for county depositories, except as herein otherwise expressly provided. In the selection of a depository the directors of such district shall perform all duties provided by such law to be performed by the county officers in the selection of depositories, acceptance and approval of bonds, and all other acts. All depositories so selected shall furnish good and sufficient bond to fully protect the district and guarantee the safe-keeping of such funds and accounting for same as provided by law. Which bonds shall be approved by the directors. All such bonds shall be recorded in a record kept in the district office for that purpose and preserved in a fire-proof vault or safe.

All funds of the district of any and all kinds shall be deposited in the depository and paid out as herein provided. All said funds shall be paid into the proper account and kept separately, same being: interest and sinking fund account, construction account, and maintenance account. No funds shall be paid from the interest, and sinking fund account except to pay interest and principal on bonded indebtedness and the expense of assessing and collecting taxes therefor.

The district depository shall make a report of all moneys received, and of all moneys paid out at the end of each month and file such reports with such vouchers with the records of said district in its own vault, and shall furnish a true copy thereof to be inspected by any tax payer of said district, and shall be delivered to the successor of such depository.

SEC. 114. In the event the highest and best bidder as district depository should be a bank in which any member of the board of directors should be a stockholder or director, such bank may be selected as such depository if such interested director shall not vote upon the selection of same and the bonds given by the depository may be approved by the other directors. In such event, however, before such bank is selected as such depository or such bonds shall become effective the same shall be presented to the county judge of the county in which such district is situated and be approved by him, but in the event the county judge of said county shall for any reason fail to approve the selection of such bank as depository or fail to approve such bond, then new bids shall be called for and some other bank be selected.

SEC. 115. No town, city or municipal corporation shall be

included within any district organized hereunder unless the proposition for the organization thereof shall have been adopted by a majority vote of the voters therein participated in such election. Any such municipal corporation included within a district shall be a separate voting district and the ballots cast therein shall be counted and canvassed to show the result of such election therein. No district hereafter organized embracing a town, city or municipal corporation shall include lands outside of such municipal corporation unless the election held therein to confirm and ratify the formation of such district shall be adopted thereby independent of the vote in such municipal corporation.

No district, the major portion of which is in one county shall be organized to include lands in another county unless the election held therein to confirm and ratify the formation of such district shall be adopted by the vote of those voting such portion of such county, independent of the vote of the portion thereof in such other county or counties.

In the event any portion of a district, under the provisions of this section shall vote against the formation of a district and the balance of such district shall vote for the formation thereof such proposition shall be adopted and such district be confirmed and ratified with the exception of the territory so voting against same, which is thereby automatically excluded therefrom and from all debts and obligations thereafter incurred, provided, however, if as many as ten per cent of the voters of such district so organized shall file with the board of directors a petition asking for a new election on such issue, such new election shall be ordered and held for the remaining portion of such district, or such district organization may be dissolved by order of the board of directors and a new district be formed. All lands and property included in such original district shall be subject to the payment of taxes for the payment of all debts and obligations incurred while it was a part thereof including organization expenses. The petition asking for a new election herein provided for shall be filed within thirty days after the date upon which the result of such election is canvassed and declared by the directors and not thereafter.

SEC. 116. The provisions of law providing for the letting of contracts, furnishing of bonds and other procedure for the letting of contracts for construction work shall apply to all such work involving the expenditure of twenty-five thousand (\$25,000.00) dollars or more, but shall not be a restriction upon the authority of the directors to operate and maintain said district or let contracts for less than twenty-five thousand (\$25,000.00) dollars for repairs and improvements.

SEC. 117. Contracts for making and constructing the plant, works and improvements of the district shall be made by the directors to the lowest responsible bidder, after giving notice of the letting thereof by advertising same in one or more newspapers of general circulation in the State of Texas and also in one newspaper published in the county in which such district or

part thereof is situated and one newspaper published in said district if there be a newspaper published therein. Such notice shall be so published once a week for four consecutive weeks prior to the date upon which such contract is let. The provisions of this section shall not apply in case of any contract between the district and the United States.

SEC. 118. Anyone desiring to bid on the construction of any works advertised as herein provided shall, upon written application to the directors, be furnished with a copy of the engineer's report showing the work to be done and all details thereof, provided a charge may be made therefor to cover the cost of making such copy. All bids to do any such work shall be in writing and sealed and delivered to the board and shall be accompanied by a certified check upon some responsible bank of the State of Texas for at least one per cent of the total amount bid, and the amount of said check shall be forfeited to the district and the bank certifying to same shall be liable therefor to the district in the event such successful bidder shall fail or refuse to enter into a proper contract therefor or shall or refuse to furnish bond therefor as required by law. Any or all bids may be rejected by the directors. All bids shall be opened at the same time.

SEC. 119. All construction contracts made by the district shall be in conformity with and subject to the provisions of this Act, and the provisions of this Act shall be a part of all such contracts in so far as applicable thereto either to the contractor or to the district, and the provisions of this Act shall govern whenever the contract is in conflict therewith. The contract shall be reduced to writing and signed by the contractor and the directors and a copy of same so executed shall be filed with the county clerk of the county or counties in which such district is situated, which copy shall be recorded in a book kept for that purpose and be subject to public inspection. All such contracts shall contain or have attached thereto the specifications for all work included in the contract and the plans and details thereof and all such work shall be done in accordance with such plans and specifications under the supervision of the directors and the district engineer. As the work progresses the district engineer shall make full written reports to the directors showing in detail whether the contract is being complied with or not and when the work is completed the engineer shall make a detailed report of same to the directors.

SEC. 120. Such construction contract may be paid for in partial payments as the work progresses, but such payments shall not exceed 85 per cent of the amount due at the time of such payment as shown by the report of the engineer of the district. The directors shall at all times during the progress of the work inspect the same and cause the same to be inspected by the district engineer and his assistants and upon the completion of any contract in accordance with its terms they shall draw a warrant on the depository of the district to pay any balance due thereon.

SEC. 121. The person, firm, or corporation to whom such

contract is let shall give a good and sufficient bond payable to the district in such amount as the directors may determine, not to exceed the contract price, conditioned that he, they or it, will faithfully perform the obligations, agreements and covenants of such contract and that in default thereof they will pay to said district all damages sustained by reason thereof or complete said contract according to its terms. All sureties signing such bond shall be bound thereto and thereby to the same extent that the principal thereon is so bound regardless of the technical defenses. Such bonds shall be approved by the directors and shall be deposited with the depository of the district, a true record thereof being made in a record book in the office of the district.

SEC. 122. Every such district is authorized and empowered to make and construct all necessary bridges and culverts across or under any railroad tracks and roadway of such railroad, inter-urban or street railway of any description to enable them to construct and maintain any canal, lateral, ditch, or other improvements of such district. Same shall be paid for by the district, provided, however, that notice shall be given by the district in writing to any local agent, superintendent, or roadmaster or owner of such railroad track, and the railway company or the owner thereof shall be allowed sixty days to build such bridge at their own expense if they should desire to do so and according to their own plans, provided such canals, culvert, ditch or structure shall be constructed of sufficient size and proper plan to serve the purpose for which it is intended.

SEC. 123. Such districts are hereby authorized and required to build all necessary bridges and culverts across and over all canals, laterals and ditches made and constructed by such district, whenever the same crosses a county or public road, and shall pay for the same out of the funds of said district.

SEC. 124. Included in the plans of any such district may be the necessary drainage ditches, or other facilities for drainage, and necessary levees for the protection of land under the system.

SEC. 125. Districts created under the provisions of this Act are hereby empowered to own and construct reservoirs, dams, wells, canals, and all properties, plants and improvements necessary to the purpose for which same was organized, and to require the necessary rights of way for and to buy or construct all reservoirs, dams, wells, canals, laterals, sites for pumping plants and all other improvements required for the irrigation of all lands in such district, or for drainage systems, levees or other necessary plants, works and improvements, by gift, grant, purchase or condemnation, and they may acquire the title to any and all lands necessary or incident to the successful operation thereof, in addition to any of the above, in the manner provided, including the authority by purchase or condemnation, to acquire rights of way for the enlargement extension or improvement of any existing canals or ditches. Any property acquired may be conveyed to the United States in so far as the same shall be necessary for the construction, operation and maintenance

of works by the United States for the benefit of the district under any contract that may be entered into thereunder.

SEC. 126. The right of eminent domain is hereby conferred upon all districts established under the provisions of this Act for the purpose of condemning and acquiring the right of way over and through all lands, private and public, except as hereinafter indicated, necessary for making reservoirs, canals, laterals, and for pumping sites, drainage ditches, levees and all other improvements necessary and proper for such districts, and the authority hereby conferred shall authorize and empower such districts to condemn all lands, public and private, for the purposes herein indicated beyond the boundary of such districts and in any county within the State of Texas; the right of eminent domain shall not extend to land used for cemetery purposes. All such condemnation proceedings shall be under the direction of the directors and in the name of the irrigation or water improvement district, and the assessing of all damages and all procedure with reference to condemnation, appeal and payment shall be in conformity with the statutes of this State for condemning and acquiring right of way by railroad companies, such condemnation suit may be brought in any county where any part of the property is situated, and all such compensation and damages adjudicated in such proceeding shall be paid out of the construction and maintenance fund of said district.

SEC. 127. Any district organized under the provisions of this Act may, in so far as its best interests are served thereby, contribute to the construction of any improvement by any other similar district, the construction of which shall contribute to the benefit of the district and in proportion to the cost thereof determined by the directors, and may make contract with such other district with reference thereto.

SEC. 128. Two or more districts may jointly own and construct irrigation works and reservoirs, levees, drainage systems, and all other plants, works and improvements which they are authorized to own or construct, under the terms and conditions to be set out in a written contract. Any such contract shall not be binding until same shall have been ratified by a majority vote of each such district. An election shall be held in each such district upon the same day to determine whether such contract shall be adopted. Such contract shall be printed or in writing, and a true copy thereof shall be filed in the office of each district fifteen days prior to such election, and be subject to public inspection, and one true copy of same shall be furnished to each voter calling for same at such office at any time within fifteen days prior to such election. When improvements are constructed by two or more districts, bids may be jointly called for and opened and considered at the designated office of either of such districts, and such districts shall approve the letting of the contracts and the contractor's bond, and may meet for that purpose at a place outside of their district, or at any office established for such joint project and at which office all business of such

joint project may be transacted, all bids, bonds, contracts, etc., of such joint project may be in the names of such joint project districts, such districts being empowered and authorized to do all acts by joint action that one district may do. The action of each district being determined by its board of directors, a general manager may be employed by such joint enterprises whose duties may be set forth in the joint ownership contract.

The terms and conditions of such joint ownership contract shall not conflict with the provisions of law providing for the organization and conduct of districts, but may include provisions for joint construction and operation of same. Such contracts may be amended in the same manner.

SEC. 129. Any two or more districts governed by the provisions of this Act and amendments thereof may be consolidated into one district in the following manner: The terms and conditions upon which such consolidation is to be effected shall be agreed upon by the board of directors of each district, and then the question shall be submitted to a vote in each district after giving notice thereof for at least twenty days in the manner provided by law for other elections. The election shall be held in each district on the same day. The consolidation to be effected only in the event same is adopted by each and all such districts. When two or more districts are consolidated their obligations shall not be impaired but shall be protected and paid by taxes levied upon the property in the district creating such debt or by assessments in the same manner and extent as if said consolidation had not been effected. After consolidation such taxes shall be assessed and collected by the officials of the consolidated district. When two or more districts are consolidated into one district same shall be governed as and be one district, except that the debts created by each district prior to the consolidation shall be paid as herein provided; provided, however, such consolidation district may contribute to such payments upon the terms stated in the consolidation agreement. When two or more districts are consolidated the officers of said respective districts shall continue to act jointly as the officers of said district, and to wind up the affairs of their respective districts as affected by said consolidation, for a period of ninety days after the consolidation election, and they may continue to so act until the next general election if so provided by the consolidation agreement, or the consolidation agreement may provide who shall constitute the first board of trustees to serve until the next general election if the officers then serving agree to resign. Said new officers shall within the period of ninety days after the election qualify as such officers of the consolidated district and assume such offices at the expiration of said period. All bonds of such officers will be approved by the then existing board of directors.

SEC. 130. Any district organized under authority of Section 59, Article 16, of the Constitution as well as any district which may have been created prior to the adoption of such constitutional amendment and which shall have availed itself of or may

hereafter avail itself of the benefits of Section 59, of Article 16, of the Constitution, may at the time of its creation, or at any time thereafter, before such district shall have issued bonds, submit to the qualified electors of such district the question whether the taxes to be levied therein, or any part thereof, shall be levied, assessed and collected upon an "equitable" basis in proportion of benefits to be conferred by the organization, operation and maintenance of such district and the works and improvements to be created thereby, or whether such taxation or any part thereof shall be levied upon an ad valorem basis. Such question shall be submitted to the qualified voters of such district at any time and in any manner that the governing body of such district may select, and the ballots to be used shall have printed thereon in substance the following: "For the levy of taxes upon a benefit basis instead of an ad valorem basis" and "Against the levy of taxes upon a benefit basis instead of an ad valorem basis." If a majority of the votes cast at such election shall be in favor of the levy and collection of taxes, or any part thereof, upon an equitable basis in proportion to benefits conferred instead of upon ad valorem basis, then taxes shall be so levied and collected.

SEC. 131. In the event an irrigation or water improvement district shall have heretofore been operated or shall hereafter be operated under contract with the United States and such district shall have adopted or may adopt the plan of the levy and collection of taxes on a benefit basis, instead of an ad valorem basis, then the directors of said district shall at some convenient time thereafter, and from time to time as may be necessary act as a board to apportion and assess the benefits conferred upon any and all property situated within such district and shall cause a record to be made showing the amount and value of the benefits computed to accrue to all of the property situated within such district and subject to taxation, and the amount of taxes upon such basis to be levied and collected against such property; provided that no taxes so assessed or adjudged against such property shall be in excess of the benefit accruing and to accrue to such property from the organization, operation and maintenance of such district and the improvements to be constructed or purchased thereby. After such record shall have been made up the board shall cause notice to be mailed to each property owner whose name appears upon such record, showing the amount of taxes to be levied against such property and fixing a date and place at which such owner may appear and contest the correctness and equitableness of such tax. And after such hearing, said board or other governing body shall determine the inequitableness of the tax and sustain, reduce, or increase the same as in their judgment shall be just and equitable, and the decision of such board shall be final. All of the provisions hereof not inconsistent therewith shall apply to the levy, assessment and collection of the taxes herein provided for.

SEC. 132. In the event that any district other than those operating under contract with the United States shall adopt the

assessment for benefit plan of taxation as provided by law, then in that event, the levy, assessment, equalization of property values and collection of taxes shall be made in the manner herein provided.

A. As soon as practicable after the approval of the report of the engineer, and the adoption of the plan of improvements to be constructed, the board of directors shall appoint three disinterested commissioners, who shall be known as commissioners of appraisalment, but who shall be freeholderrs, but not owners of land within the district for which they are to act.

B. The secretary of the board of directors immediately following the appointment of the commissioners of appraisalment shall, in writing, notify each of his appointment and in the notice designate the time and place for the first meeting of such commissioners. It shall be the duty of the commissioners to meet at the time and place specified or as soon thereafter as possible and when they shall each take and subscribe an oath that they will faithfully and impartially perform their duty as such commissioners, and make true report of the work done by them, and at such meeting the commissioners shall organize by electing one of their members chairman and one vice-chairman, and the secretary of the board of directors, or in his absence such person as the board of directors may appoint, shall be the secretary of said commissioners during their continuance in office and shall furnish to them such information and such assistance as may be within his power and necessary to the performance of their duties.

C. Within thirty days after qualifying and organizing as above directed, the commissioners of the appraisalment shall begin their duties, and they may at any time call upon the attorney of the district for legal advice and information relative to such duties, and may if necessary require the presence of the district engineer or one of his assistants at such times and for so long as may be necessary for the proper performance of their duties. Such commissioners shall proceed to view the lands in such district as will be affected by the plan of reclamation for such district as carried out, and all public roads, railroads, rights of way and other property or improvements located within such districts and shall assess the amounts of benefits and all damages, if any, that will accrue to any tract of land or other property within such district or to any public highway, railroad and other rights of way, roadways or other property from carrying out and putting into effect the improvements to be constructed by such district. The board shall prepare a report of their findings which shall show the owner of each piece of property examined and on or concerning which any assessment is made, together with such description of said property as may identify the same, with the amount of damages and all benefits assessed for and on account of or against the same, which said report shall be signed by at least a majority of said commissioners and filed with the secretary of the board

of directors of the district, and which report shall also show the number of days each commissioner has been employed and the actual expense incurred by each during his service as commissioner, and each shall be paid by the district not to exceed ten dollars per day for his services, and all necessary expenses in addition thereto on approval of the account for such per diem and expenses by the board of directors. Said commissioners shall in their said report fix a time and place when and where they will hear objections thereto, and such date shall not be more than twenty days after filing such report.

D. At or before the hearing upon the report of the commissioners of appraisalment, any owner of land or other property affected by such report or the plan of reclamation or improvements may file exceptions to any or all parts of such report and said commissioners at the time and place specified in the notice shall proceed to hear and base opinion on such objections, and where such objections are sustained, in whole or in part, may make such changes and modifications from time to time as may be necessary to conform the report to their findings. When the commissioners shall have finally acted, they shall make a decree confirming such report in so far as it is confirmed, and confirming and approving the same as modified or changed in so far as it may be modified or changed. The commissioners shall have power to adjudge and apportion costs incurred upon the hearing in such manner as may be deemed equitable. The findings of the commissioners as to damages and benefits to lands, railroads and other property within the district shall be final and conclusive. The final decree and judgment of the commissioners shall be entered of record in the minutes of the board of directors, and certified copies thereof shall be filed with the county clerk of each county in which any portion of the lands within such districts are located, as a permanent record of such county and such findings shall be notice to all persons of the contents and purpose of such decree.

E. When the report of the commissioners shall have been filed with the secretary of the board of directors, he shall forthwith give notice by publication in a newspaper published in each county wherein any portion of the district is located for at least once a week for two consecutive weeks prior to the date fixed for such hearing of the time and place for such hearing, and he shall also mail a written notice to all persons whose property will in any wise be affected by the carrying out of the plan of reclamation and improvement if his post office is known, stating the time and place of such meeting, which notice shall state in substance that the report of the commissioners to assess benefits and damages accruing to land or other property by reason of the plan of reclamation and improvement for the district in question has been filed in his office, and that all persons interested therein may examine same and make objections thereto in whole or in part, and that the commissioners will meet on the day and at the place named for the purpose of

hearing and acting on objections to such report, and the secretary upon the day of hearing shall file in his office the original notice with his affidavit thereto, showing the manner of publication and the names of all persons to whom notices have been mailed and that post offices of those to be affected to whom notices were not mailed were unknown to him, and could not be ascertained by reasonable diligence, and copies of such notice and affidavit shall be filed, one with the commissioners of appraisal and one with the clerk of the county commissioners' court.

F. After the action of the commissioners of appraisal as aforesaid, their final findings, judgment and decree, until lawfully changed or modified shall form the basis of taxation within and for the district for which they shall have acted for all purposes for which taxes may be levied by, for and on behalf of such district and all taxes shall be apportioned and levied on each tract of land, railroad and other real property in the district in proportion to the net benefits of the property named in such final judgment or decree as shown thereby. In all matters before the commissioners of appraisal parties interested therein may not only appear in person or by attorney, but they shall be entitled to process for witnesses to be issued by the chairman of the commissioners of appraisal on demand, and such commissioners shall have the same power as a court of record to force the attendance of witnesses.

SEC. 133. In the event that any district organized under the terms of Section 59 of Article 16 of the Constitution shall adopt or have adopted the assessment of benefit plan of taxation instead of the ad valorem plan of taxation, fixing and assessment of property value on which taxes shall be levied and collected shall be made in the manner herein stated provided any such district may at the same election at which the adoption of such plan of taxation is voted upon, or at any other time before the issuance of bonds, vote upon the proposition of whether such benefits shall be fixed as an equal sum upon each acre of land that is irrigated or to be irrigated by gravity flow from the canal system of the district. In which event the amount of benefit per acre shall be voted upon as applied to all lands in the district that can be irrigated by gravity flow from the irrigation system to be constructed, or purchased, and also the benefit of lands in the district that cannot be so irrigated. When such questions are desired to be submitted and an election held to determine same the board of directors of the district shall submit same and order such election in the same manner as provided by law for other elections in such districts. The ballots for such elections shall have printed thereon the following propositions: "For uniform assessment of benefits of \$..... per acre upon all irrigable lands in the district, and the assessment of \$..... per acre upon all non-irrigable lands in the district." "Against uniform assessment of benefits."

Said blank spaces in said proposition shall be filled in with

the amounts as determined by said board of directors to be voted upon. Said amount of charge per acre to be found by dividing the number of acres of land into the amount of indebtedness to be incurred by the district in providing for the irrigation of same. In the event the owners of lands classed as non-irrigable object to the amount of charges fixed against them by said order of the board calling such election or as a result of said election they may have their non-irrigable lands taken out of said district by filing application therefor as provided by law within ten days after such election is held. If a majority of those voting on such proposition at such election vote in favor thereof same shall be adopted.

In the event the plan of uniform valuation of acreage for taxation is adopted as herein provided the said valuation shall be applied to all such lands and it shall not be necessary for the assessor of the board of equalization to annually fix the value thereof or equalize the values, except as herein provided nor for the board of directors of the district to appoint a commission of appraisement to ascertain or fix the value of improvements to particular lands as in other cases provided. The board of equalization will examine the renditions and tax rolls to ascertain that all property subject to the tax is placed on such tax rolls under its proper classification and add any property thereto that may be left off of such tax rolls or that may not have been rendered for taxation, and examine and correct and certify to said tax rolls. Any property owner may protest the classification of his lands as not being proper and the board of equalization shall fully consider any such protest and after their findings thereon in their minutes in the same manner provided for protest in the case of the fixing of valuations upon property as provided by law.

The rate of taxation, the collection of taxes, assessment of property, rendering of property for taxation shall be made as now provided by law with reference to ad valorem taxes, except that only such lands shall be rendered or taxed and in rendering same the valuation thereof shall not be stated and it shall not be necessary that the party rendering same shall make affidavit to the value thereof nor that the value thereof be stated by the tax assessor, but same shall be rendered as subject to irrigation or not subject to irrigation.

In the event lands classed as non-irrigable are thereafter irrigated by said district, the owner thereof prior to receiving water for irrigation shall pay to the district an amount equal to the entire amount that would have been charged to same if same had originally been classed as irrigable.

SEC. 134. Districts organized for the purpose of constructing levees or works and plants as a protection from overflow, and districts organized for the purpose of constructing drainage systems, may adopt the proposition that the benefits shall be fixed at an equal sum upon each acre of land therein the manner provided in the proceeding section. In such event the proposition

to be voted upon shall be stated in the order of election changing the wording thereof to apply to the purpose for which the district was organized or for which bonds are to be issued, substantially as follows:— "For uniform assessment of benefits for _____ purposes," and the negative "Against uniform assessment of benefits."

SEC. 135. Any town, city or municipal corporation may have the benefit and powers herein provided under the constitution of this State and may aid any district in the construction and operation of any such improvements to the extent that same may be an advantage to such municipal corporation in the following manner:

A. The area included in any town, city or municipal corporation be organized into and constituted a water control and improvement district with all the powers, authority and privileges provided by Section 59 of Article 16 of the Constitution and be governed by this Act, by an ordinance duly enacted by the board of aldermen, commissioners, or governing body thereof, constituting same a water control and improvement district and appointing five directors therefor. The bonds of such directors shall be filed with and approved by said governing board of such municipality, and upon the qualifications of said directors said district is completely organized without the necessity of holding an election therefor. Said district shall from and after its organization be governed by the provisions of this Act and any amendments hereafter enacted.

B. Whenever a municipal corporation shall be constituted a water control and improvement district as herein provided all taxes levied therein may be assessed and collected in the manner herein provided or in the following manner: The directors of the district shall make an order fixing the rate of taxation and levying a tax as herein provided and enter same upon their minutes and then file a copy thereof duly signed by the president and secretary, with the seal affixed, with the secretary of the municipal corporation; the said secretary shall record same in a book kept in his office for that purpose and make and deliver to the tax assessor a copy thereof. Said tax levy shall be entered on the tax rolls and be assessed and collected in the same manner as other municipal taxes, and the collection thereof shall be governed by the provisions of law governing the collection of taxes in such municipal corporation, and all officers of such municipal corporation are charged with the same duties therein as provided by law for the collection of and accounting for municipal corporation taxes. The tax collector shall make a monthly report on the last day of each month of all such taxes collected to the district depository and deposit same therein, a copy of such report shall be filed in the office of the directors. The directors of the district pay to the city tax assessor, the city tax collector, and all other city officers reasonable compensation for the services performed by them for the district, the amount thereof to be fixed in advance of the performance of such duties.

D. When such taxes are so levied, assessed and collected it shall not be necessary for such district to appoint a tax assessor and collector, and the provisions of this Act with reference to the assessing and collecting of taxes shall not apply to such district.

E. All taxes levied, bonds issued, and indebtedness incurred by such water control and improvement district shall be subject to the provisions of the constitution and of this Act in so far as same require an election to authorize same.

F. Any such water control and improvement district may issue bonds and incur indebtedness for any purpose herein provided, or in aid thereof, in connection with the construction of improvements by any other district organized under the provisions of this Act or heretofore organized and governed by the provisions of this Act.

SEC. 136. In the event that any court within the State shall render any judgment of debt against any district such court may order the directors of such district to levy, assess and collect taxes or assessments to provide for the payment thereof.

SEC. 137. The board of directors are hereby empowered to institute and maintain any suit or suits to protect the water supply or other rights of the district and to prevent any unlawful interference with same or a diversion of its water supply by others and to prevent any taken or interference with such water supply or other rights. All districts may sue and be sued in the name of the district by and through its board of directors.

SEC. 138. Any district may sell any surplus water that it may have to lands in the same vicinity for the purpose of irrigation, domestic or commercial uses, if in the opinion of the board of directors same is advisable and on such terms as they provide, provided however, any such sale of water shall not be for a longer period than three years at any one time. Any district may contract for the sale of water power privileges whenever it may be possible for power to be generated by the use of water flowing from its reservoir or within its canal system, provided however, any such contract for the sale of water power privileges shall be subject to the duty of the district to protect the lands embraced therein in an adequate supply of water for the purpose for which such district was organized or for supplying water for municipal purposes in those districts supplying water for such purpose.

SEC. 139. The State Board of Water Engineers shall be and is constituted a commission to investigate and report upon the organization and feasibility of all districts which shall issue bonds under the provisions hereof. All such districts desiring to issue bonds for any purpose shall submit in writing to said board an application for investigation, together with a copy of the engineers report and a copy of data, profiles, maps, plans, and specifications prepared in connection therewith. Said board shall examine same and shall visit the project and carefully inspect the same and may ask for and shall be supplied with additional data and information requisite to a reasonable and careful

investigation of the project and proposed improvements. They shall file in their office in writing their suggestions for changes and improvement and furnish a copy thereof to the board of directors of such district. If said board shall finally approve or refuse to approve such project, or the issuance of bonds for such improvements, they shall make a full written report thereon, file same in their office and furnish a copy of same to the board of directors of said district.

SEC. 140. This Act shall not in any manner affect or repeal other laws providing other methods of forming similar districts and shall not repeal or affect laws providing for the organization of water improvement districts, levee districts, improvement districts or levee improvement districts or drainage districts. And this Act shall apply to and affect only districts organized hereunder or specifically adopting the provisions hereof as hereinafter provided.

SEC. 141. Any district organized under the provisions hereof shall have the authority to receive donations from, and to, contract with any person, firm, corporation, association, county, municipality, water improvement district, irrigation district, reclamation district, draining district or levee improvement district concerning contribution by such other parties with reference to adding to the area of such district, or with reference to contributions to the cost of improvements undertaken by the district, in such manner that the contributions would be upon a percentage or definite sum basis. Any district may contribute to the construction of such improvements as it is authorized to construct by other districts, counties, municipalities, persons or corporations or persons or associations whatever description, in so far and to the extent that same are a benefit to the district.

SEC. 142. It is hereby made the duty of the Reclamation Engineer of the State of Texas to furnish to any district topographic maps and data concerning all elements of the various projects undertaken by the district for the control of floods. It shall be the duty of the State Board of Water Engineers to furnish to a district topographic maps and data concerning all projects for the storage of water or creation of reservoirs undertaken by the district.

SEC. 143. Any water improvement district or irrigation district heretofore organized or hereafter organized under the laws of this State may become and be converted into a water control improvement district in the following manner: The board of directors of such district shall adopt a resolution declaring such district to be a water control and improvement district and enter such resolution upon the minutes. Notice of the adoption of such resolution including a copy thereof shall be given by the directors by publication thereof in a newspaper published in the county where said district is situated, if such district includes parts or more than one county such notice shall be published once a week for two consecutive weeks and said resolution shall become final and effective fifteen days after the

date of the last publication of such notice, provided, if a petition protesting against said action, signed by not less than twenty qualified voters of such district, is filed in the office of the board of directors or delivered to the secretary thereof at any time within said fifteen days then the said resolution shall not become effective unless said proposition shall be submitted to an election to be held in such district and the proposition be adopted by a vote of the majority of those voting at such election. All water improvement districts and irrigation districts shall become and be constituted a water control and improvement district under the provisions hereof, shall be a conservation and reclamation district under the provisions of Section 59 of Article 16 of the State Constitution and shall thereafter be governed by this Act, the amendments hereof hereafter adopted, and shall have and may exercise all the powers, authority, functions and privileges herein provided in the same manner and to the same extent as if same had been organized under the provisions hereof.

SEC. 144. All the proceedings had and taken to organize any water improvement district or irrigation district and to determine the areas of land included therein and which are benefited thereby, and to determine the manner in which taxes and assessments for taxation should or shall be made, levied and collected, or to bring any such district under the provisions of Section 59 of Article 16 of the Constitution, or to authorize the issuance of notes or bonds, or for the election and qualification of its officers and directors, or for construction of projects jointly by two or more districts, shall be and are hereby in all respects declared to be ratified, validated, approved and confirmed by the conversion thereof into such water control and improvement district as herein provided. Provided, however, nothing herein contained shall in any manner affect or validate any bonds or any taxes or charges for the payment of any bonds, or any proceedings for the organization of a district, the validity of which bonds, taxes or proceedings is now being challenged or litigated in any court of this State.

SEC. 145. Candidates for the office of director or other elective offices may file with the secretary of the board of directors application to have their names printed upon the ballots to be used at an election. Such applications shall be signed by such candidates, or by ten qualified voters, and shall be filed at least twenty days prior to the date of such election.

SEC. 146. In all districts hereafter organized under the provisions of this Act which contain not to exceed twelve thousand acres of land and in which fifty per cent or more of the lands in such district are owned by persons who do not reside in the district, the directors shall be appointed by the county commissioners' court, instead of being elected as herein provided, if the petition for the organization of such district shall so provide. The term of office of such directors shall be two years, and they shall be so appointed at the same time fixed for election of directors in other districts, and if for any reason the

county commissioners' court is not in session at that time the said court shall appoint said directors as soon thereafter as possible. The owners of the lands in such district may file with the county commissioners' court, petitions expressing their choice of persons to be selected as directors and if a majority of those filing such petition agree upon the persons to be appointed, the persons so agreed upon, if qualified, shall be appointed, otherwise the said court shall appoint suitable qualified persons as such directors.

SEC. 147. When land is added to an established district and such district is organized or is operating under the authority of Section 59 of Article 16 of the State Constitution, such land may be added to such district upon the agreement contained in the order of the board of directors admitting such land to the district that same will be taxed upon the assessment of benefit plan of taxation instead of upon the plan of the general ad valorem tax, and such agreement may provide that such added land shall be so taxed upon a uniform acreage basis or upon the plan of a definite annual charge. In such event the amount of the debts to be paid by such land and the amount to be paid as an annual tax thereon for the purpose of paying such debt shall be fixed by the order of the board of directors admitting such land to the district and the same shall become a lien on said land in the same manner and to the same extent as if said land had been a part of said district at the time said indebtedness was incurred or authorized by an election held for that purpose. Such added land shall be a part of such district and shall be liable for debts thereafter incurred in the same way as other lands in said district."

SEC. 148. The fact that the creation, operation and use of water by water control and improvement districts results in the material benefit and improvement of the State of Texas and in the increase of taxable values of the property therein resulting in great benefit to the State creates an emergency and imperative public necessity that the constitutional rule requiring bills to be read on three several days be and the same is hereby suspended and that this Act take effect and be in force from and after its passage and it is so enacted.

[NOTE.—The enrolled bill shows that the foregoing Act passed the Senate, no vote given; passed the House, no vote given.]

Effective ninety (90) days after adjournment.

[NOTE.—The foregoin Act was presented to the Governor of Texas for her approval on February 26, A. D. 1925, but was not signed by her or returned to the House in which it originated with her objections thereto, within the time prescribed by the Constitution, and thereupon became a law without her signature.]